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**The Role of Employers in Vocational Education
and Training: Partners or Passive Recipients?**

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This thesis is submitted for the degree of Doctor of Philosophy.



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Summary

This thesis examines the role of employers in vocational education and training (VET) with particular reference to initiatives targetted at the 16-19 age group. Its premise is that the so-called 'employer-led' initiatives of the 1980s and 1990s have, in fact, been government-led and that employers have played a particularly passive role in their design and delivery. Furthermore, the thesis asserts that employers lack the understanding, knowledge and commitment required to play the proactive role which the rhetoric of VET demands of them.

Historical sources are used to demonstrate that the struggle to persuade employers to play a leading role in VET has been taking place for decades and that even the classic employer-led model, apprenticeship, cannot be said to have been an unqualified success. The introduction of the Youth Training Scheme is examined in terms of its effects on employers' company-wide training practices, effects which have been largely overlooked by previous analyses.

The thesis then attempts to reveal the realities behind the employer-VET interface through two closely observed case studies of, firstly, a Training and Enterprise Council (TEC), and, secondly, a Training Credits pilot programme. A qualitative methodology was used to bring into focus the perceptions, values and struggles of people working both inside and on the outside of initiatives which are hailed as vehicles for reversing the national failure to match the rest of the developed world in terms of a skilled labour force. In order to create a sense of the highly complex world of VET as experienced by young people, employers, TEC staff, teachers, lecturers and careers officers, the thesis draws on research data collected over four years.

The thesis concludes by recommending that employers, researchers, VET practitioners and policymakers need to construct a new paradigm to encompass a meaningful role for employers in VET.

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My supervisor, Professor Chris Duke, deserves the highest praise for his unfailing patience and encouragement. He provided continuous support and gave me the confidence to pursue my ideas. I only hope that this thesis does some justice to his professionalism.

I would also like to thank colleagues in the Open University's School of Education with whom I discussed my initial research ideas and my new colleagues in the Division of Education at the University of Sheffield for their encouragement.

My husband, Maurice, and my son, Richard, provided equal doses of love and sanity when they were most needed.

I dedicate this thesis to my late mother, Lilian Doyle, to whom I owe so much.

Declaration

Parts of Chapter Six have appeared in Unwin, L. (1993) "Training Credits: The pilot doomed to succeed" in Richardson, W., Woolhouse, J. and Finegold, D. (eds) The Reform of Post-16 Education and Training in England and Wales, Harlow, Longman.

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Part One

Introduction

"I am the wrong person to be talking about this initiative. This is not a Government initiative. It is an employer-led initiative. It will only work if it is carried forward by industry. This will bring employers into the 16-19 system."

This opening quotation comes from a speech on 'Modern Apprenticeships' given by a senior Department of Employment civil servant to a seminar on 16-19 education and training which I attended in March 1994. (Wye,1994) It serves as a succinct illustration of a central concern of this thesis that so-called 'employer-led' initiatives continue to be inventions of civil servants and other interested parties and that these initiatives are then presented to both employers and the general public as emanating from deep within industry and commerce. The ironic interplay of words in the civil servant's message reflects the confused territory within which 16-19 education and training initiatives are both constructed and implemented. An encounter between Alice in Wonderland, the March Hare and the Mad Hatter captures some of the flavour of conversations, speeches and reports which litter that confused territory:

'Then you should say what you mean' the March Hare went on. 'I do,' Alice hastily replied; 'at least - at least I mean what I say - that's the same thing you know.'
'Not the same thing a bit!', said the Hatter. 'Why, you might just as well say that "I see what I eat" is the same thing as "I eat what I see!"' (Lewis Carroll)

There are many examples throughout the history of VET of initiatives which have attempted to promote a closer working relationship between the worlds of

employment and education. In Britain, in the 1990s, such initiatives are attempting to reshape the nature of provision across the sectors from school through to the retraining of mature adults. I intend to examine the reality behind much of the rhetoric which surrounds employer involvement at the post-school level in VET and will attempt to discover how far employers themselves are willing and able to take on that involvement. In doing so, I will propose that there is a disjunction between the employers' view of their role and that identified and defined by others.

The canvas for this thesis is potentially huge so I have chosen to restrict discussion to VET policy and practice concerning the 16-19 age group. My reasons for doing so were influenced by the following factors which demonstrate the pivotal position of the 16-19 sector on which Government and employers both exert considerable pressure and exert significant power:

- 1) The UK's record in terms of the number of 16-19 year olds participating in and achieving qualifications still registers poorly when compared with competitor countries;
- 2) Since the late 1970s, the 16-19 sector has been targetted by Government for major national initiatives aimed at improving the UK's record of education and training - as Wallace and Cross have noted, ".....youth has become a category for large-scale policy intervention outside of education." (Wallace and Cross, 1990,p.2);
- 3) There is a continuing debate in the UK about whether all young people should remain in full-time education until the age of 18 or whether a work-based route post-16 should be available for those who wish to enter the labour market.

The place of rhetoric

The following vision of the future is distilled from various policy documents and statements produced in the late 1980s and early 1990s. (see CBI,1992, TUC,1989, DE/DES,1991,):

By the end of this century, school leavers, further education students, graduates, adults in jobs and those returning to the labour force will all have an on-going record of their achievements, have produced action and training plans, be taking part in comprehensive job-related training and be developing transferable skills. In addition, all 18 year olds will be passing five GCSEs or possess an NVQ Level 1 and at least half of them will have an NVQ Level 3 or two 'A' Levels, and half of the employed workforce will also have an NVQ Level 2. The minority of teenagers who choose to leave school at 16 will only go into jobs with training and, like the majority who leave at 18, they will have at least £1,000 to spend on training in the college or company of their choice. Thousands of women will have been persuaded to return to paid work, people over 50 will be valued in the workplace, anyone in a management position will have met the competence demands of the Management Charter Initiative and half of the organisations employing over 200 people will have been awarded the title 'Investors in People'.

In this thesis I will examine the rhetoric and reality of that vision in the light of current industrial, educational and human resource realities. I will concentrate, in particular, on the reaction of employers to such a vision and explore, from their perspective, the role and responsibilities expected of employers by the Government, the education sector and the various agencies which promote the concept of employer-led VET.

The thesis will attempt to answer the following key questions in relation to employer involvement in VET:

1. What do employers want from VET in terms of both policy and practice? Do they

want to control it or are they interested in partnership?

2. Would employers prefer to hand over all responsibility for VET to the education sector?

3. Do employers understand the nature of the role expected of them and are they capable of playing it?

4. To what extent do the policymakers understand the needs and attitudes of employers?

5. To what extent do the so called 'employer organisations' reflect the real views of employers in relation to VET policy and practice?

So far, I have used the word 'employers' in a generic sense, for all employers, from those engaged in multi-national operations to those individuals running newsagents' shops on street corners, have been and continue to be targetted by VET initiatives. It will be seen that a major contention of this thesis is that, regardless of size and economic status, employers across the occupational sectors, public and private, share similar concerns and a sense of confusion about the VET responsibilities which policymakers are attempting to impress on them.

The main body of the thesis will examine two current major VET policy initiatives which illustrate the difference between the rhetoric and reality of employer involvement in post-16 education and training. Both initiatives have been chosen because they are national in scope, they are at the heart of the Government's strategy for achieving national education and training targets (NETTs), and they are all, supposedly, employer-led. It is important to note, too, that both initiatives receive the continued support, with minor reservations, of the opposition parties in Parliament. The initiatives are:

- a) The establishment of Training and Enterprise Councils (TECs) in England and Wales;
- b) The introduction of Training Credits for 16 year old school leavers. (In 1993, this initiative was renamed Youth Credits. For the purposes of clarity, I have used the single term Credits throughout.)

Much that has been written about the TECs concentrates on the impact they have had and will have on VET provision and on the ideological issues surrounding their funding, administration and accountability. Credits have been received with similar though much less attention, as, at this stage, they are still very new. In the case of both initiatives, there has been very scanty attention paid to the employers' perspective. When this perspective has been explored, it has been viewed largely in terms of employer criticism of the amount of funding available to TECs, and in terms of employer apathy to education-business partnership activities.

A third 'employer-led' initiative should be mentioned here - the introduction of competence-based National Vocational Qualifications (NVQs). NVQs are of central importance to both TECs and Credits and have been developed by Lead Bodies comprising of representatives from industry, commerce and professional organisations. Although this thesis does not examine NVQs in any detail, it does regard them in the same light as TECs and Credits in the sense that they owe far more to the ideas of civil servants and others who claim to reflect the views of employers rather than the employers themselves. Yet without the active support and understanding of employers, NVQs, Credits and TECs are unlikely to have any lasting impact on the volume, quality and penetration of vocational education and training.

The conceptualisation underlying Credits and TECs (and NVQs) is based on four highly questionable presumptions:-

- i) that education and industry can and want to work in partnership;
- ii) that where education and industry do not already have established partnership arrangements, these will be quickly and easily created;
- iii) that employers are prepared to and capable of playing an equal role in building up the required infrastructure to transform VET provision in Britain;
- iv) that most employers accept that the proposed initiatives are the best vehicles for achieving such a transformation.

These four assumptions will be explored in this thesis.

Structure of the Thesis

The thesis is divided into three parts. Part One continues with a discussion of the methodological approach and the use of a research diary. Part Two is divided into six chapters. The first chapter gives an historical overview, exploring the different ways in which employers have been involved in education and training from medieval craft guilds to starting factory schools in the 18th century to providing placements for trainees on government-sponsored schemes and undergraduates in the 1990s. Chapter Two offers an analysis of the way in which governments since the 1964 Industrial Training Act have identified and defined the role employers should play with regard to VET, and pays particular attention to the Youth Training Scheme. Both chapters examine the considerable body of literature covering VET issues and Chapter Two demonstrates the lack of detailed attention given in recent literature to the role of employers. Chapter Three explores the concept of apprenticeship as an illustration of a significant VET practice which, traditionally, has been truly employer-led.

In Chapters Four, Five and Six, the themes and issues raised in Chapter Two are examined with specific reference to the development and introduction of TECs and Credits. In the light of local and national evaluation studies of Credits, Chapter Six also explores the attitudes of young people to employment, training and post-16 education, attitudes which shed further light on the mis-match between policymakers' rhetoric and the reality of VET in the workplace and classroom.

Part Three contains the concluding chapter, appendices and references.

Methodological Approach

This thesis draws on a number of disciplines in its attempt to identify the causes of the wide gulf between the rhetorical definition of the employer's role in education and training and the reality as displayed in workplaces, on TEC Boards, on college governing bodies and in education-business partnerships across the country.

Chapter One takes an historical perspective and draws on a wide range of literature. Chapter Two concentrates largely on a social policy analysis of primary source documentation from Government sources and relevant agencies such as the Organisation for Economic Cooperation and Development (OECD) and the Confederation of British Industry (CBI). In Chapter Three, the realities of apprenticeship in the 1990s are highlighted through vignettes of two national companies, both of whom provided primary source material for the thesis. Semi-structured interviews were also carried out with training personnel at the two companies.

In Chapter Four, the analysis draws on economic, sociological and philosophical interpretations of the rationale and subsequent performance of TECs. In order to explore the work of TECs in more detail, Chapter Five presents a case study of a TEC in the North West of England, the data for which was collected over four years from 1990 to 1993.

In 1988 when I was working as a lecturer in the School of Education at the Open University, I directed a project to produce a set of open learning materials which sought to explain the then newly emerging framework for competence-based

vocational qualifications to teachers and managers working in colleges of further education and trainers in industry. The materials were commissioned by a civil servant at what was then the Training Agency who, in 1989, was seconded to work with a group of employers developing one of the first TECs. In late 1989, he asked me, in his capacity as TEC chief executive, if I would prepare a paper for the TEC Board of Directors on the extent of existing education-industry links in the TEC area. Since then, I have carried out a number of small-scale research projects for the TEC and completed two major evaluation studies. This close relationship has enabled me to observe the development of the TEC by attending meetings of the TEC Board and the education-business partnership, various working parties, staff development workshops and liaison meetings between the TEC and the local community. In addition, I have recorded interviews with TEC staff at all levels from the chief executive down to junior clerical officers, and with the directors who sit on the TEC Board. During the four years in which the TEC has been in existence, I have been building up a case study which, I believe, offers important insights into the activities of an organisation which controls several million pounds of public funds and into the relationships that organisation has formed with its local community. I have aimed to construct the type of case study which Bell suggests should provide the reader with:

....a three-dimensional picture and will illustrate relationships, micropolitical issues and patterns of influences in a particular context. (Bell, 1993, p.9)

My role as a researcher has combined both participant and non-participant observation, the purpose of which has been, in the words of Cohen and Manion to:

.....probe deeply and to analyse intensively the multifarious phenomena that constitute the life cycle of the

unit with a view to establishing generalisations about the wider population to which that unit belongs. (Cohen and Manion, 1984, p.120)

By building up a relationship with different levels of staff in the TEC and with a range of professionals who work for organisations with whom the TEC either works in partnership or seeks to serve, I have adopted some of the characteristics of the ethnographer who conducts participant observation by:

...watching what happens, listening to what is said, asking questions.....in fact, collecting whatever data are available to throw light on the issues with which he or she is concerned. (Hammersley and Atkinson, 1983)

As Finch (1986) argues, the ethnographic approach to research allows one to better understand the 'lived realities' of the people involved at the local level in the implementation of policy. As my research evolved, I became increasingly aware of the importance of recording the frenetic activity taking place within the TEC and the impact of that activity on TEC staff and others who are drawn into the TEC milieu. I have used evidence from this record in the thesis to assert that the UK has, in the mid-1990s, built up a VET behaviour pattern which verges on the pathological.

On a day-to-day basis, the world of VET has become to resemble a televised magic show in which the magician (Employment Department) both literally and metaphorically holds all the cards. Selected members of the audience (the TECs) are invited on to the stage to take part in the show by acting as obedient assistants, following the magician's instructions to 'take a card', 'remember the card's number and suit', 'watch carefully' and so on. The only rules these assistants know are that they must do as they are told, otherwise the tricks will not work and they, and the rest of the audience, will be deprived of the prize they came for - the wonderful

finale when the magician demonstrates his supreme competence. That only the magician knows how the trick is constructed and by what rules it is governed does not bother the audience. They understand that the only way they can take part is to play their allotted role, passively attending as the tricks flow one after another. Indeed, a sense of masochistic amusement is injected into the show when the magician taunts the assistant to 'watch carefully' so that they might see how the trick is done, though, of course, they never do. There is, of course, a second tier audience (employers, training providers, trainees) involved in the process, the one watching on television sets at home, whose passivity is even greater. Though obviously contrived, I have found that the use of metaphor can throw light on a complex scenario, helping to highlight the day-to-day experiences of people working in the VET arena, experiences which can be overlooked by studies which concentrate on the overall performance of the initiatives and organisations which constitute that arena.

This part of my research has not followed a traditional linear pattern but has evolved alongside the organisation I have been studying and, importantly, adapted itself to the many different situations with which I have had to engage. Essentially qualitative, the research has demanded a flexible approach. (see Burgess, 1985) The following quotation from Donald Schon provided me with a meaningful rationale for pursuing a qualitative study which, at times, proved very difficult to control due to the amount of evidence and ideas being generated and because of the highly volatile nature of the initiatives being studied:

In the varied topography of professional practice, there is a high, hard ground overlooking the swamp. On the high ground, manageable problems lend themselves to solution through the application of research based theory and technique. In the swampy lowland, messy, confusing problems defy technical solution. The irony of this situation is that the problems of the high ground tend to be

relatively unimportant to individuals or society at large, however great their technical interest may be, while in the swamp lie the problems of greatest human concern. The practitioner must choose. Shall he remain on the high ground where he can solve relatively unimportant problems according to prevailing standards of rigour, or shall he descend to the swamp of important problems and nonrigorous inquiry. (Schon, 1987)

For Chapter Six, both empirical quantitative and qualitative investigations were carried out in 1991, 1992 and 1993 to determine attitudes to and the performance of the TEC's Credits initiative. The methodology for these investigations is described in detail in the chapter. This chapter also uses some secondary source material from evaluation studies of other pilots.

Chapter Seven draws conclusions from the evidence presented in the thesis and attempts to construct a new model for the involvement of employers in VET policies and practice.

Research Diary

Throughout the four years I have been carrying out research for this thesis, I have kept a diary to record my observations and to chart the development of my own understanding of the ways in which the initiatives I am seeking to explore have been perceived by employers. The diary has also enabled me to record pronouncements by Government ministers, employer organisations and other interested parties. This on-going record has provided very useful data which illustrates the way in which national initiatives are launched as one construction and then reconstructed over time. I will be referring to entries in my research diary throughout the thesis.

Part Two

Chapter One

Employers' involvement in education and training: an historical overview

Introduction

Employers and educationalists tend to share the same fate when scapegoats are required to explain away the declining economic effectiveness of the United Kingdom (UK) both at home and abroad. There is much publicity given in this country to our appalling record, vis-a-vis our foreign competitors in terms of the numbers of people who participate in training and post-compulsory education, and to the woeful outcome in qualification terms of that participation. (MSC/NEDO, 1984, Finegold and Soskice, 1988, Keep and Mayhew, 1988, Keep, 1991, Prais, 1993, OECD, 1994, et. al.) These and other studies also point to the ways in which the structure and content of overseas VET systems differ from the British approach. As Keep succinctly points out, however, "it must be recognised that the ready availability of data and analysis does not always guarantee its automatic use in policy deliberations." (Keep, 1991, p.25)

Concern about Britain's standard of vocational education and training was expressed as early as 1851, shortly after the Great Exhibition at which British manufacturers claimed prizes in most of the 100 categories. One of the jury members, Lyon Playfair, a Member of Parliament and an ex-Professor of Chemistry, wrote to one of the organisers noting that Britain's competitors were catching up in terms of their price and delivery of goods. He argued that industry must in future be supported not be a competition of local advantages, but by a competition of intellects. It was an

early statement of human capital theory which was popularised in the 1960s through the work of Becker, Drucker and others and was adopted as a guiding principle in the economic development strategy of the Organisation for Economic Cooperation and Development (OECD). Knowledge was capital and the development of educated people was regarded as capital formation. The mood and the idea were precisely described by Drucker:

An abundant and increasing supply of highly educated people has become the absolute prerequisite of social and economic development in our world. It is rapidly becoming a condition of national survival....a developed society and economy are less than fully effective if anyone is educated to less than the limit of his potential. The uneducated is fast becoming an economic liability and productive society must be an 'educated society' today..... (Drucker, 1959, p.114)

Playfair repeated his concerns in 1867 when, at the Paris Exhibition, Britain only managed to collect a handful of prizes. He wrote an open letter to Lord Taunton, Chairman of the Schools Enquiry Commission, expressing anxiety about Britain's industrial performance compared with that of other European nations. Playfair claimed that there was widespread agreement that Britain had fallen behind competitor nations and argued that there was unanimity of conviction that one cause of this decline was that the country lacked a good system of industrial education for the masters and managers of factories and workshops. France, Russia, Austria, Belgium and Switzerland, on the other hand, possessed such systems, a view confirmed by a series of reports to Parliament which had been provoked by Playfair's letter into examining the need for state support for technological education. (see, for example, the Select Committee on Scientific Instruction and the Advancement of Science, 1872-75, and the Samuelson Royal Commission on Technical Instruction, 1884) Following the Samuelson Commission's report, the

London City Livery Companies drew up a national scheme for technical instruction which formed the foundation for the City and Guilds of London Institute and a host of similar but smaller technical examination bodies. Yet, despite continued calls for a co-ordinated approach to technical education and training, and the evidence of Britain's skill shortages highlighted by two World Wars, the State concentrated its efforts on general schooling, leaving industry and commerce to bear the responsibility for improving the country's technical performance. Until the introduction of the Industrial Training Act in 1964, this policy of non-intervention by the State prevailed, as did the long-held view that academic education was vastly superior to vocational training. Typically, the State only intervened during times of particular stress, most notably during wartime and the unemployment rise of the 1920s and 30s.

This voluntaristic approach to vocational education and training on the part of the State has had and continues to have major implications for individual employees. Many employees today echo earlier generations when they speak of having to gain qualifications and training through evening classes and correspondence courses, paid for out of their own pockets and taken in their own time. The following comments from a paper on engineering education given in 1868 to the Liverpool Engineering Society, would still find echoes in workplaces around the country today:

Hitherto our workmen have been left to do for themselves...although engaged from 6am to 6pm at their daily work, they manage to attend evening classes where these are available, and where they are not, they tread their way along, picking up what scraps of information they can find in the nearest lending library and by dint of their British pluck...get sufficient knowledge to fit them for foremen and managers.(Roderick and Stephens,1982, p.23)

This capacity for making the most of the small amount of education on offer was praised by a parliamentary committee in 1917:

The British workman is famous for his ability to make a little theoretical knowledge go a long way, and the little theoretical knowledge, painfully and belatedly acquired, as the foundation of a glittering career, has proved an ever-present object lesson in what book-learning may do for a man. (HMSO, 1917, p.20)

This tradition of self-help continues and, ironically, is thriving particularly well in institutions which provide education and training. School teachers, college and university lecturers and trainers are increasingly seeking professional development courses delivered via distance and open learning modes as they find they must study out of working hours and in the most flexible way given the considerable demands on their time. The influence of Samuel Smiles through his works on 'Self-help', 'Thrift' and 'Duty' lives on today in the British attitude to adult education, higher education and, in particular, to youth training. (see Strong, 1992)

Between the immediate post-war period and 1964, there was little debate about the nation's training needs and this apathy is reflected in the fact that the number of State -controlled training centres fell from twenty three in 1951 to thirteen in 1962. Even the newly created attention that had been given to the training of women during World War Two, when their skills and labour were desperately needed, also evaporated. Indeed, the 1958 Carr Report, *Training for Skill*, which dealt with the inadequacies of youth training, dismissed opportunities for girls in one short section as Wickham has pointed out:

It was assumed that girls would marry and that, therefore, they would not need training. Where concern about women was expressed it focussed upon the academically above

-average grammar school girl who might be expected to make a more sustained contribution to the labour force. (Wickham, 1986, p.21)

Ironically, for a brief period at the start of the 1990s, matters seemed to have turned full circle with women being urged to enter or rejoin the employed workforce as the numbers of school leavers dropped. Companies began offering more flexible working hours and better training and promotion prospects to coax their existing and potential female employees, while in the 1990 Budget, the Chancellor of the Exchequer allowed workplace nurseries to be set against tax. Many things are possible, it would seem, if the need is great enough. The economic recession which set in in 1991 meant, however, that a pool of unemployed youth labour presented itself to employers.

The dominance of voluntarism

Central to the development of VET policies in Britain has been and continues to be an argument between those in favour of voluntarism and those in favour of intervention. Rainbird (1990) suggests that this argument has, so far, been played out in five phases:

1. Up to 1964, voluntarism within a laissez-faire economic strategy prevailed;
2. From 1964 to 1973, State intervention and tripartism took over;
3. From 1973 to 1982, saw increasing centralisation of policy and the weakening of sectoral level bodies;
4. Between 1982 and 1988, centralised State intervention was coupled with employer unilateralism;
5. Since 1988, tripartism has been abolished and decision-making devolved to

employer-led bodies.

That VET policy has been a victim of these swings in ideological approach is possibly partly due to its lack of a permanent home in one government department. Rather like an orphaned child who is constantly being presented for adoption, VET policy has been shunted between a number of foster homes - Employment, Education, Trade and Industry, Environment - but never been permanently claimed by one set of parents. At the time of writing, it seems likely that VET policy will continue this vagabond existence.

The first constructive, albeit cautious, attempt to intervene and find a home for VET policy came in 1964. Unlike Germany, which consolidated a century of co-operation between education, government and industry in its 1969 Vocational Training Act, the then Labour Government in Britain attempted to coerce industry into providing more training through the 1964 Industrial Training Act. The Act introduced a grant/levy system administered through specially created Industrial Training Boards (ITBs) representing different occupational sectors. Companies which did not have their own training programmes in existence were required to pay a tax of up to 1.5 per cent of their payroll. The more training companies provided, the more of the levy they could claim back. Many companies wrote off the levy as an unavoidable loss and did little to meet the training levels suggested by the ITBs for their industry. As early as 1972, a Department of Employment report, which laid the ground for the establishment of the MSC, had attacked the ITBs for their inability in the following areas:

- to cover the whole economy;
- to represent small firms;
- to represent job functions which cross occupational sectors;
- to provide a general advisory service on training for the whole country;
- to cope with local and regional labour markets;
- to provide a central focus for management training. (DE, 1972)

Other criticisms of ITBs centred around their bureaucratic behaviour, their failure to deal with skill shortages, and their failure to meet the needs of young people in semi-skilled and unskilled jobs. (see Farley,1985) Despite such criticisms, ITBs did win praise, however, for their influence on training standards. Even the 1972 report recognised that the ITBs had emphasised the need for trained trainers and had formalised 'on-the-job' training by insisting on specified objectives. (DE,1972) They survived until 1981 when the MSC recommended that 17 out of the 24 ITBs be abolished leaving a rump which in 1988 was reduced further to just three statutory ITBs for the construction, agriculture and civil engineering industries. The rest of industry was to be covered by Non-Statutory Training Organisations (NSTOs) which, in 1991, were renamed Industrial Training Organisations (ITOs). There were 126 ITOs in existence in 1994 when, ironically, in the light of the criticisms of ITBs, a report reviewing their activities recommended that they pay more attention to:

- the needs of small firms;
- ensuring that they clearly identify with a specific industrial sector;
- playing a full part in the national training infrastructure. (Berry-Lound, 1994)

As Keep (1987) has pointed out, "The relative merits of industry, cross-sectoral,

or regional or local structures have never been satisfactorily resolved" and so, according to Rainbird and Grant (1985) employer associations will represent the self-interest of employers rather than engage with national training strategies.

The 1964 Act could be said to have been flawed from the outset for as Marsden and Ryan (1991) have asserted, the ITBs were only intended to correct the market in training rather than replace it. Sheldrake and Vickerstaff go further in their criticism:

The adoption of the ITB system presented itself as a way of trying to overcome the training traditions of industry and its apparent inability to generate a voluntary cross-sector approach without, on the other hand, taking responsibility away from industry and abrogating the British tradition of voluntarism.....The industry by industry organisation allowed industry to retain a large measure of control. It did not significantly challenge trade union defensive protection of skilled workers or employers' concern with fairly immediate firm-specific needs. It provided encouragement to do more of the same with limited advances in modernising training techniques. (Sheldrake and Vickerstaff, 1987, p.40)

From Playfair through 1964 to Michael Howard, Secretary of State for Employment in 1990, addressing Britain's education and training mission post-1992:

Already our businesses are experiencing fierce competition for customers from within the European Community, and this will intensify as the Single Market gets closer. Looking ahead, we can also expect increasing competition from the emerging aspirations of the new more open economies of Eastern Europe. This is all part of the process of growth of international competition. The world is no longer a collection of captive home markets. All of us, whatever sector we work in, are exposed to the standards of the best in the world. We must make sure we match them.....There is only one future for this country in such a world. We must become a high technology, high skilled, high value added economy.....This in turn means having a workforce with the right skills, able to match the

standards of the best in the world in terms of quality, innovation, customer care and adaptability. That is why I place the challenge of equipping the nation with the skills it needs at the top of our agenda. (Howard,1990)

Since the ITBs were abolished, report after report has shown that British employers invest very little in training compared to their foreign competitors and, when recession comes, training is often the first item to be cut. (see Hyman, 1992) A survey of the top thousand British companies in 1988 looked at whether those reports mentioned the companies' strategy for training and then compared the entries with a similar survey carried out in 1984. The survey found that there had been some increase (33% to 41%) in the numbers of companies mentioning training in their annual reports but fifty had ceased referring to training and a further fifty four had reduced the amount of space devoted to it. (MSC, 1988) More than half the companies covered in the 1989 *Training in Britain* survey did not know how much they spent on training leading the survey report to conclude that, nationally, British businesses were underestimating their training costs by as much as £6.1 billion. (Training Agency, 1989)

In Autumn 1993, only 14% of the working population of Great Britain were receiving some form of job-related training. (LMQR, March 1994) Even taking into account the economic recession of the early 1990s, this figure has only risen by some 5% since 1984. (LMQR, May 1993). Felstead and Green's research challenges the conventional wisdom that companies cut training during economic recession, suggesting that some companies actually increase their levels of training in order to stay competitive. (Felstead and Green, 1993) They add, however, that the type of training being delivered tends to be short courses and that:

Only a small proportion of those employees in training are working towards qualifications that would seem to equip them for the sorts of high-skill/technological frontier jobs upon which it is regularly said that future prosperity depends.(ibid, p.26)

Comments from a Training Agency survey of company attitudes to trainer training show how this antipathy to investment in training has been translated into lack of status for the trainers themselves:

Many of the companies participating in this survey reported that there were difficulties in providing a satisfactory career structure for specialist 'career trainers' because of the small size of the training departments involved.....More generally, companies seeking to make use of 'non-career trainers', whilst on secondment, also need to ensure that the training department is not perceived by potential recruits as a 'dead end' which removes other career options. (Training Agency, 1990a, p.41)

As Bennett and McCoshan note, management training in Britain is also poor in comparison to other countries. They comment that:

Management training is seen as too small in supply and uptake, too fragmented and unrelated to the company's strategy, goals and staff appraisal, with few companies perceiving management training as an important competitive weapon. (Bennett and McCoshan, 1993, p.40)

And, significantly, training does not generally figure when companies develop their business plans. An Industrial Society survey of 500 companies in 1991 showed that only 16% built training into their plans whilst the majority finalised their plans and then looked at the implications of those plans for training. (Webb, et.al., 1991)

This British ambivalence towards training can be traced back to the start of the industrial revolution. As Ainley and Corney (1990) and Vlaeminke (1990) have

indicated, Britain managed a sustained industrial revolution without any formal training policy or provision, so it is perhaps not surprising that repeated warnings about a potential skills deficit in Britain have never been treated with the seriousness they deserve. As Cassells points out:

It is not necessary to fall back on the explanation that there are 'cultural' reasons for it, that is, that there is something about the British that means we shall never take such warnings seriously. When Britain was at the height of its pre-eminence in terms of wealth and power, it is not surprising that it did not seem necessary to do so. Even when that Zenith had long passed, the idea of pre-eminence was given continuing life by success in war, the possession of a large empire and restrictions on free trade. So it has been that high-minded argument appropriate (if ever) to an earlier age continued to emphasise larger moral and liberal values in education at the expense of those that might seem to be based on mere practical expediency. (Cassells, 1990, p.20)

The reference which Cassells makes to the higher status given to an academic education as opposed to a technical one is important, and, as later sections of this thesis will show, ironically, this distinction between the two has been given new emphasis with the recent changes to the post-16 curriculum and the drive towards full-time education for the vast majority of 16 year olds. Wiener's influential study of the way in which Britain's educational elite, manifested through the public schools and Oxbridge, has imbued the country with an anti-industrial, anti-technology approach to education, remains highly pertinent today. (Wiener, 1981) Though criticised for placing too much emphasis on the influence of the educational elite at the expense of considering other contributing factors such as industrial organisation and the role of financial markets, Wiener's thesis is still powerful because his pillars of elitism - public schools and Oxbridge - and their students and teachers, are still relatively untouched by the VET-related initiatives and reforms which affect the majority of people in this country. Will Hutton, writing

in *The Guardian* in response to large pay increases for senior executives in the Spring of 1993, castigated the public schools:

It is thus no accident that Messrs Tennant (Guinness and Eton), Sheeley (BAT and Ampleforth), Blakenham (Pearson and Eton) are all scions of private education and recipients of much-criticised pay deals - or that their remuneration committees were educated similarly. They may be of society but they are not part of it; and while the great private schools may once have laid great store on the gentlemanly virtues of obligation and duty, that has long since been superceded. They are now amoral forcing houses for educational achievement as a passport for career success, founded upon an ethic of opting-out and exclusiveness. And it matters that so many who occupy the commanding heights in British life have so little sense of obligation to the whole..... There is a kind of Gresham's law of value systems in which the bad drives out the good. Thus, one of the reasons it is so hard to establish mandatory training to which all firms contribute a training levy is that such universalism clashes with the notion of voluntarism and choice. An opted-in training system cannot sit side by side with an opted-out educational structure. Indeed, the establishment of academic qualifications - private schools' principal competitive weapon - as one of the routes to a privileged position is another important factor adding to the diminished status of technical qualifications. (Hutton, 1993, p.11)

The popularity of VET

The introduction to this chapter began by noting the enormous and continuous publicity which has been given to Britain's VET performance particularly since the late 1970s. In the mid-1990s, there would appear to be a considerable degree of consensus that Britain needs to increase the level and quantity of skills in its labour force. Such consensus spans the political landscape and finds industry and commerce, the public sector, the trades unions, and educationalists all declaring the need for Britain to shake off what Finegold and Soskice (1988)

termed its 'low skills equilibrium'. Yet, the gap between the warm glow of the public pronouncements and the reality in workplaces, colleges and training centres is still evident.

For example, enrolments for part-time, day and block release, courses in further education colleges for the 1993/94 academic year were down by seven per cent from the previous year. (TES,1994a) According to the Further Education Funding Council (FEFC) who released the figures, this drop is not attributable to demographic changes, the lack of appeal of Youth Training or the unresponsiveness of colleges. The problem is thought to be far more fundamental in that there appears to be a an increasing disjunction between the corporate goals of employers and the needs and aspirations of individual employees. (ibid) Hence, employers are sending employees on short courses in very specific subjects (e.g. health and safety) but are not that interested in courses which lead to nationally recognised qualifications whose content goes beyond the narrowly defined needs of an individual company or organisation.

In his analysis of Britain's VET problems, Cutler suggests that the promotion of the need for improved VET policies and practices is politically convenient because it prevents a much more important debate from taking place. This debate would centre on what Cutler terms 'a classic problem', that is "a situation of contradiction between the conditions of enterprise success on one hand and social and economic welfare on the other." (Cutler, 1992, p.181) To support his theory, Cutler cites the work of Williams, et.al. (1990) which argues that several key British enterprises such as Hanson and GEC, have developed their businesses in ways which counter the need for large numbers of indigenous skilled labour.

For such businesses, a major source of profit comes from mergers and acquisitions and making products which do not rely on sophisticated technology so are "effectively sheltered from the rigours of international competition". (ibid, p.178) Cutler concludes:

This picture is hardly one of manufacturing enterprises in search of organic growth and generating demands for skilled labour which, in the context of market failure, has to be supplied via state organised programmes. It is hard to see how plentiful supplies of skilled labour could have anything to offer to such enterprises. Trained workers are likely to be amongst those made redundant as the plant is closed down by an organisation in retreat from production or treating its manufacturing establishments as assets to be traded. (ibid, p.179)

Cutler's work emphasises the need for more attention to be paid to the reality of business life rather than the rhetoric which has overshadowed a true understanding of organisational change. That rhetoric has been fuelled in recent years by certain fashionable concepts, one of which is 'flexible specialisation' (FS). The concept of FS, as discussed in particular by Phillimore (1990) building on the work of Piore and Sabel (1984), applies to the shift in industrial production away from the Fordist, mass production approach, to a looser, decentralised set of structures and ways of working. Phillimore asserts:

If it proves to be the case that we are moving towards an FS regime, the implications for training could be profound for management and government. They would also provide a strong challenge to trade unions. For employers, the creation of a 'core' workforce has been accompanied by an increasing preparedness to provide resources for extensive retraining and upgrading of their workers' skills to ensure functional flexibility. (Phillimore, 1990, p.83)

Phillimore's reference to high-level skills is echoed by Handy who has suggested that

by the year 2000, at least 70 per cent of all jobs in Europe will require cerebral rather than manual skills and of that 70 per cent, at least half will require the equivalent of a higher education or professional qualification. (Handy, 1989). Storey and Sisson, however, remind us that the dynamic of changing work patterns must be kept in perspective:

....the much-touted 'core periphery' model is often mis-used to imply a generalised 'strategy' on the part of employers to create a more 'flexible' workforce. In fact, a not inconsiderable part of this recomposition of the labour force is accounted for by labour-supply factors rather than by policies on the demand side. For example, the Labour Force Survey in 1987 showed that only one in ten women with a part-time job had taken that job because they could not find a full-time one. (Storey and Sisson, 1990)

Then there is the question of whether Handy's predictions apply to all newly created jobs or a select proportion. In the United States and Canada, the biggest growth areas of employment are fast food and cleaning. Such jobs, and many available in Britain too, involve a periphery army of reserve labour and not Handy's 'core'. This poses a continuing problem for anyone involved in the post-compulsory sector whether they are classed as practitioners or policymakers. By signing up to the charter of lifelong learning (and implementing its attendant features such as the Accreditation of Prior Learning, Access, and the assessment of core/generic skills), the practitioners, in particular, take on the responsibility themselves for empowering individuals whose real work choices may be extremely limited. The all important debate about economic management and social justice can then be removed as the rhetoric takes over.

This thesis will return to the disjunction between the rhetoric surrounding the VET debate and the everyday practices and policies engaged in by employers in chapters

Three and Four. The next chapter pays attention to the way in which policymakers and others have articulated the role they expect employers to play in the design and implementation of VET.

Chapter Two

The myth of partnership: the role of employers as defined by policymakers

Introduction

As was noted in Chapter One, the reliance on employers to take responsibility for ensuring an adequate supply of skilled labour has been publicly and nationally criticised as inadequate for meeting the nation's needs since at least the 1850s. Despite such criticisms, however, government intervention to improve employers' attitudes to and investment in a level and quality of training which would have wider national benefits has tended to take the form of what Coffield, in writing about the concept of 'enterprise education' has called "a farrago of 'hurrah' words". (Coffield,1990,p.258)

It is significant that even during the inter-war years when government was profoundly concerned about the lack of an adequately skilled labour force, the training measures which were introduced by the then Ministry of Labour were focussed on rehabilitation and targetted at the unemployed rather than the employed. (see Sheldrake and Vickerstaff, 1987) Ironically, in the light of the 'second class' image acquired by the youth training initiatives of the 1970s and 80s, the network of Government Training Centres established between 1925 and 1940 failed to establish a reputation for quality training:

The work of the Centres was mainly basic and preparatory and, as far as the trainees were concerned, of limited use in their later working life.....Former trainees were viewed with deep suspicion by those workers who had entered industry by the conventional routes of apprenticeship, improvership or up-grading.....This prejudice, allied to the particular provisions relating to dilution, ensured that many of those trained at the Government Training Centres were unable to continue their role in industry in the immediate post-war period. (Sheldrake and Vickerstaff, 1987, pp.22-23)

The economic prosperity and almost full-employment of the 1950s allowed government to further retreat from introducing training-related legislation thus illustrating the paradox at the heart of Britain's approach to VET policy: in times of economic recession, government intervenes directly in VET by introducing initiatives which are of a rehabilitation nature to cope with large numbers of unemployed people; whilst in times of economic prosperity, government cuts back on this funding and exhorts industry to invest in training but does not legislate to make this happen. It must, of course, be said that the appearance of the 1964 Industrial Training Act was an attempt to overturn the paradox but, as Chapter One indicated, the ITBs came to reflect the voluntarism of the past rather than establishing a nationally orchestrated policy of mandatory training in companies.

In order to understand the way in which policymakers have and continue to define the role of employers vis-a-vis VET, it is necessary to turn first to the work of the most influential and powerful government quango assigned to this role, the Manpower Services Commission (MSC) and its subsequent manifestations - Training Agency (TA), Training Commission(TC) and TEED (Training, Enterprise and Education Directorate). By examining the work of the MSC, I intend to demonstrate that far from reflecting the needs of employers or, indeed, supporting them to achieve a national training strategy, the civil servants, from 1981 onwards,

constructed a series of increasingly complex VET initiatives to which employers were expected to respond. This civil servant-led approach to VET continues into the 1990s and will be illustrated in Chapters Four, Five and Six.

The MSC and interventionism

To date, there have been two detailed histories of the MSC published: Ainley and Corney, 1990; and Evans, B., 1992. (A third account, Brown and Fairley, 1990, deals with the MSC in Scotland.) These accounts explore the development of the MSC and its record vis-à-vis three main MSC objectives as outlined here by Ainley and Corney:

In the widest context of transforming deeply entrenched social values, it aimed to abolish completely the dichotomy between education and training that had emerged during the nineteenth century. Within the policy-making context, the MSC's goal was to elevate the importance of vocational education and training and redefine its contribution to productivity and national development. At the institutional level the MSC attempted the complete overhaul of Britain's education and training system. Predominant attitudes to wealth creation and industry naturally influenced the specific problem of the failure of state and industry to invest in vocational education and training but it was through its control of this vital area of domestic policy that the MSC tried to modernise basic aspects of the economy and to reshape the national psyche. (Ainley and Corney, 1990, p.2)

By taking this approach, Evans and Ainley and Corney concentrate their analysis on the relationship between the MSC and the different governments it served between 1973 when it was set up and 1988 when it was reorganised to become the Training Commission. It is worth noting that neither account has a reference in the index for 'employers' and any reference to employers in the text is confined to criticisms of employer investment in training. Both accounts refer in detail to the reaction of

educationalists to the various MSC VET initiatives and programmes, and to the Whitehall battles between the Departments of Employment, Education and Trade and Industry to gain control of the VET agenda and budgets. Neither account, however, discusses the work, ethos and approach of the MSC in terms of their effect on employers.

The 1973 world oil crisis had a dramatic effect on Western economies leading to big increases in unemployment and inflation, and served to highlight particular economic and industrial problems in the United States and the UK. Brosio has noted that:

The 1970s were a time of deepening conflicts between state capitalist interest and human needs. Much of the malaise experienced during the 1970s and up until the present, can be said to result from systems of production having fallen out of harmony with the larger economic order. In the 1970s the mass production economy broke down; and this threw the whole system into disequilibrium.....Floating exchange rates undermined the stability and predictability that mass production requires. Globalisation of production undermined the labour mechanisms which had balanced purchasing power and supply. Job markets began to divide into high-paid unionised workers and low-paid non-union workers. The corporate response - more multinationals, more conglomerates, more pressures to lower wages - failed to solve the system imbalance between supply and demand. (Brosio, 1990, p.104)

In the UK, Labour and Conservative politicians, concerned about rising unemployment, particularly among the 16-19 age group, and the perceived failure of manufacturing industry to compete worldwide, turned the spotlight on the structure and provision of education and training. The MSC, which was created by the 1973 Employment Training Act, was charged with making arrangements for "assisting people to select, train for, obtain and retain employment, and for assisting

employers to obtain suitable employees". (HMSO, 1973, p.2) Ironically, as Sheldrake and Vickerstaff note, the 1973 Act was:

....a compromise response to conflicting demands within industry and represented a not insubstantial shift towards trade union opinion over the issue of national co-ordination....As in 1964, the 1973 Act was an attempt to reconcile the need for a concerted national policy on training with the entrenched and short sighted interests of industry. With the creation of the MSC policy moved away from the 'carrot and stick' approach of the 1964 Act to an acknowledgement of the apparent inevitability of a more active (and expensive) role for the state. (Sheldrake and Vickerstaff, 1987, p.46)

The Act, with its centralised powers, also served to weaken the once autonomous ITBs whose levy grant system for getting companies to invest in training was replaced by a levy grant exemption system thus reducing the Boards' influence over individual employers.

The new quango had a two-armed structure: the Training Services Agency (TSA) and the Employment Services Agency (ESA). It was separated from the Whitehall department structure and managed by a Commission of ten members drawn from the Confederation of British Industry (CBI), the Trades Union Congress (TUC), local authorities and education. In 1975, after much lobbying from the MSC, the then Labour Government acknowledged that the MSC should be given powers and resources to become, in the MSC's words:

....a central authority responsible for both managing and coordinating the executive instruments of manpower policy and for influencing through comment and advice the manpower aspects of other policies - economic, fiscal and industrial - to ensure that they are satisfactorily related to the manpower system. (MSC, 1975a, p.30)

The growth in unemployment during the mid-1970s, particularly among young

people, meant that the MSC's 'manpower policy' was focussed on devising temporary employment programmes. Although this was counter to its original aims, Ainley and Corney assert that by having to focus on youth unemployment, the MSC lost its role but found an empire. With a vastly increased budget (from £125 million in 1974-5 to £641 million in 1978-9), the MSC introduced the Work Experience Programme (WEP) in 1976, which was superseded by the Youth Opportunities Programme (YOP) in 1978, which itself was replaced by the Youth Training Scheme (YTS) in 1983. The chief characteristic of these MSC programmes was that, unlike the long-standing apprenticeship system, they were government-sponsored and, significantly, employers were given monetary incentives to give unemployed young people a workplacement. To supplement placements with employers and to take account of the large number of unemployed young people with special needs, the MSC also provided funding to colleges of further education, local authorities and private training providers to establish workshop-based or 'sheltered' provision.

The MSC increased its budget with the introduction of the Youth Opportunities Programme (YOP) which was the government's response to the 1977 Holland Report's call for a permanent work experience programme for lower achievers. The report built on the MSC's 1975 document *Vocational Preparation for Young People* (MSC, 1975b) and Callaghan's infamous 1976 Ruskin speech in seeking to better prepare young people for the transition from school to work. Callaghan's speech is much quoted as the catalyst of the 'Great Debate' which called for education to be more responsive to the needs of the economy and to prepare young people more effectively for the workplace. (see Finn, 1987, Dale, 1985, et.al.) Wellington, in his study of what came to be termed 'vocationalism', highlights two

key statements from the Ruskin speech which indicate Callaghan's concern:

I am concerned to.....find complaints from industry that new recruits from the schools sometimes do not have the basic tools to do the job.

There is no virtue in producing socially well-adjusted members of society who are unemployed because they do not have the skills. (Wellington, 1993, p.22)

Wellington suggests that Callaghan's speech has had a "potent (though often tacit) influence on discussions of education ever since" and that it brought into common parlance two concepts which have dominated Government thinking about VET: firstly that a key factor in the rise of unemployment is a shortage of skills; and, secondly, that there exists a set of common skills which, if they have them, make young people more employable. These two concepts influenced the design of YOP, WEP and YTS and, more recently, the work of the National Council for Vocational Qualifications (NCVQ). The Further Education Unit (FEU), originally set up in 1977 as a section within the Department of Education and Science (DES) but independent from 1983, has been a vociferous promoter of the need for young people to gain, via education and training courses, common (sometimes called core or generic) skills applicable in any workplace.

At school level, the launch of the Technical Vocational Education Initiative (TVEI) for 14 to 18 year olds in 1982 under the auspices of the MSC brought the language and ideals of vocationalism directly alongside the academic curriculum. Similarly, although on a much smaller scale as compared with TVEI, the MSC introduced the Enterprise in Higher Education (EHE) initiative in 1988 offering universities sums of up to £1.5 million each to join the vocationalists' bandwagon.

Other curriculum initiatives which strive to bring education and the so-called 'world of work' closer together include: the mandatory two weeks of work experience for school pupils; *Compacts* between schools and employers; the long-established sandwich degrees which place undergraduates out in industry and commerce for part of their course; and the 'teachers into business and industry' programme. In 1990, the then Training Agency published the *Education Business Partnership Prospectus* which charged TECs with the responsibility for establishing education-business partnerships (EBPs) working together with LEAs. (Training Agency, 1990b)

By instigating a shift away from the academic to the vocational, Callaghan's speech heralded the need for education and industry to work more closely together. Implicit in all the White Papers and other documentation emanating from government departments, the MSC and its successors, the FEU and other interested groups, is that employers will play a major role in VET initiatives.

As Finn (1987) has pointed out, Callaghan's speech had been preceded by an outpouring of complaints from prominent business leaders that schools were failing to give young people even the basic skills needed in the workplace and that many school leavers were unemployable because they lacked the 'right' attitude to work. (see ITRU, 1979) Despite the fact that economic and labour market studies in the 1970s were showing that young people were having to compete with older workers for jobs they would previously have gained and that the nature of work was changing, the MSC's youth programmes took a decidedly 'educational' approach. (see Jonathan, 1987) The problem was perceived as being the mismatch between the school leaver's skills and attitudes and the needs of industry, and the solution was to be

found in vocational preparation:

....it seems certain that properly conceived vocational preparation would raise substantially the ability of many of these young workers. More important still, the experience of 'learning to learn' things relevant to work would help them to adapt to change more readily and therefore work more effectively throughout their lives. (MSC/TSA,1975,p.19)

To assist the MSC in advocating the merits of vocational preparation, the FEU produced a series of reports aimed primarily at staff in further education colleges whose classrooms began filling up with young people on programmes such as YOP and, later on, YTS. In 1979, it published *A Basis for Choice* in which the FEU proposed a curriculum framework for those 16 to 19 year olds in further education about whom Callaghan and others had been so worried:

The report is concerned with full-time courses for young people who enter further education after leaving school and who need something other than GCE studies or programmes preparing them for specific occupations. These mainly one-year courses are intended for young people of average ability or attainment (but not those with special learning difficulties) who may be vocationally uncommitted at the start but who wish to develop an informed orientation while keeping their employment and further education options open. (FEU,1982, 2nd edition, p.2)

Critiquing vocationalism

The history and development of vocational preparation has been extensively critiqued. (see in particular Bates, et.al., 1984, Dale et.al.,1985, Holt et.al., 1987 and Gleeson,1990, et.al.) On the whole, the critics have castigated the vocational preparation movement for being dishonest in its intentions. They argue that vocationalism uses jargon and rhetoric to dress up a curriculum which is chiefly concerned with getting young people to 'know their place' both at work and in society.

The failure of government-sponsored schemes, in particular YTS, to gain favour with young people has added fuel to the fire of the critics who, more recently, have turned their attention to the introduction of competence-based qualifications. Yet, as Watts (1983) has argued, the concept of employment has, for centuries, had a powerful influence on the education system causing that system to perform four functions on behalf of employers:

1. Selection (via the curriculum and qualifications)
2. Socialisation (school mirrors the world of work in terms of structure, ethos and culture)
3. Orientation (through careers education and learning about the workplace)
4. Preparation (employment-related skills and knowledge).

It is not the intention of this thesis to consider in detail the arguments for and against vocationalism. It is necessary, however, to consider the lasting effects of the failure of the education establishment in schools, colleges and higher education to acknowledge the fact that whether or not the majority of school leavers were failing to meet the needs of employers, they were, in any case, disillusioned and dissatisfied with a system that branded them as 'failures'.

The young people (and the adults benefitting from access courses to the TOPs programme) who poured into colleges of further education in the late 70s and early 80s presented a dilemma to lecturers and administrators. Unlike the generally co-operative day-release students who, of course, had been selected on academic merit, this new army of youth represented a considerable pedagogic and curriculum challenge. As a lecturer at a College of Technology in the mid-1970s, I was told by my Principal that:

We don't want these people here but they represent considerable income to the college. The MSC has obviously got money to burn. I don't want them near the real students so we're putting them in the old gymnasium down the road and the adults can go in to the temporary classrooms at the back of the car park.

At that time, these students formed the majority of the school leaving population. Even if they had been able to find employment and so escape vocational preparation, it was clear to me and many of my colleagues that they would have to embark on a lifetime's learning in order to gain anything other than the most menial of jobs. Their 'attitudes' in relation to work were, like most 16 year olds, in need of some development but their level of general educational attainment was the more disturbing. In addition, their school experience had taught them that the academic curriculum was incapable of valuing their contributions. I returned to the same college in 1993 to give a seminar and found that young people attending courses as part of the 'off-the-job' element of the 1990s version of YTS were still segregated from the rest of the student body. The college had created a youth training 'company' housed in an annexe away from the main building.

To critique the MSC's attempts to provide vocational preparation programmes for young people without, at the same time, critiquing the experiences those same young people had had in school has produced a literature which is unbalanced. In addition, it has done nothing to advance the cause of a truly equitable curriculum for young people up to the age of eighteen. In rubbishing the concept of vocationalism, the critics ignored the research coming from adult education which showed the range of learning experiences which are to be found both within the formal workplace and, informally, associated with the workplace. Most damaging of all, by concentrating on the desires of the politicians to confront the problem of mass youth

unemployment, the critics have only been able to see the often genuine concerns of employers as part of the ideological battle to put vocationalism on the agenda. Anyone who worked in further education in the 1970s and early 1980s knew that the numeracy and literacy levels of many young people were unacceptably low, yet there is nothing in the literature to suggest how allowing schools and colleges to remain 'untainted' by vocationalism would improve this situation. Nor is there any criticism of the way in which many further education colleges cynically saw the new student body in cash terms, cash which was often ploughed into the prestigious 'A' Level and Business Studies courses which attracted the students the majority of staff really wanted to teach. It is to be hoped that such cynicism is not reflected in the mid to late 1990s as schools and colleges encourage young people to enter full-time courses on the promise of a modern curriculum which, in giving 'parity of esteem' to the vocational and the academic, will serve their needs.

The New Training Initiative (NTI) and the role of employers

Margaret Thatcher's first general election victory in 1979 as leader of the Conservative Party had been a challenge to the MSC given the Thatcher government's antipathy towards quangos and state intervention. As has been discussed above, the rise in unemployment and particularly youth unemployment in the late 1970s cushioned the MSC against immediate attacks from the new Cabinet. In May 1981, the MSC sought to strengthen its position and influence with the publication of what has since become regarded as a landmark report, *A New Training Initiative: A Consultative Document* which stated:

As a country, we must now set ourselves the aim of achieving urgent and radical changes in our training arrangements if our industry and commerce and our workforce - both young and old - are to be adequately equipped to face the future. (MSC, 1981a, para 23)

By December 1981, the consultative document had become a White Paper, *A New Training Initiative: A Programme For Action* whose justification was summed up in the ubiquitous phrase "we need a better educated, better trained and more adaptable workforce". (MSC, 1981b, p.4)

Although the White Paper stressed that the government's priority for 1981/82 was tackling youth unemployment, it included the following ambitious objectives which embraced vocational education and training for both young people and adults, employed as well as unemployed:

- i) a new £1 billion a year Youth Training Scheme, guaranteeing from September 1983 a full year's foundation training for all those leaving school at the minimum age without jobs;
- ii) increased incentives for employers to provide better training for young people in jobs;
- iii) development of an "Open Tech" programme to make technical training more accessible to those who have the necessary ability;
- iv) a working group to report by April 1982 on ways of developing the Youth Training Scheme to cover employed as well as unemployed young people, within available resources;
- v) setting a target date of 1985 for recognised standards for all the main craft, technician and professional skills to replace time-serving and age-restricted apprenticeships;
- vi) better preparation for working life in initial full-time education;
- vii) more opportunities for vocationally relevant courses for those staying on in full-time education;
- viii) closer co-ordination of training and vocational education provision nationally and at local level;
- ix) a £16 million fund for development schemes in particular localities or sectors;
- x) examination of longer-term possibilities for more effective, rational and equitable sharing of the costs of training between trainees themselves, employers of trained people and the general taxpayer. (ibid, pp.3-4)

There is no reference here to the failure of the existing programmes for unemployed youth which, by 1981, were attracting fierce criticism from trades unions, parents, and young people themselves.(see Hughes and Perlman, 1984, Coles, 1986) Yet, as the White Paper states, trades unions, employers, and education and training bodies were willing to support yet another attempt to improve the country's VET position and performance. As Finn has pointed out, despite the shortcomings and, in some cases, blatant abuses of YOP and WEEP, the MSC capitalised on its position of power by a policy of 'divide and rule' amongst the wide range of sponsors servicing its programmes:

Ideologically, because this involved community groups, employers, local authorities, colleges and voluntary organisations, the MSC was able to present itself as involving the whole of the community.....At grass roots level the MSC became a major source of government funds for any group wishing to respond to the social consequences of mass unemployment. (Finn, 1987, pp.153-154)

The White Paper outlined four key ways in which government was seeking the co-operation and commitment of employers:

- a) in providing better and more integrated training for those young people whom they employed straight from school;
- b) in becoming the main sponsors for the new YTS programmes;
- c) in taking the main responsibility for training and re-training adults;
- d) in supporting the shift away from qualifications and apprenticeships based on time-serving.

In seeking to transform the country's VET system, NTI has the hallmarks of the 'dig for victory' campaign during World War Two. Employers are referred to

throughout the document as a homogeneous group in the same way as colleges of further education, careers officers and voluntary organisations. There are hints that employers might need more than exhortation to play their part in, for example, the suggestions that training could be tax-deductable and that individual employees might contribute something to the costs of training, but the overall commitment of employers to the principles of the NTI is not debated. Not only are employers expected to provide placements for the new youth training scheme but 'industry', acting as a collective whole, is told in clear terms that it will be expected to organise a complete transformation of the vocational qualifications system "by 1985 at the latest" and, moreover, that "Government will make financial support for skill training in industry at the enhanced levels....increasingly conditional upon steps towards implementation of these reforms". (MSC, 1981b, p.11) Three years later, in 1984, the MSC restated its belief in this ambitious role for employers in its report *Competence and Competition*:

Employers should take the lead in proposing training outcomes and standards which will:

- assure employability for young people, and for adults who have lost their footing in the labour market
- raise productivity and occupational mobility. Employers should also take the lead in assessing and accrediting the achievement of trainees. In addition they must provide work experience and training designed to achieve performance objectives, thus implying close links with the education service, especially at local level. (MSC/NEDO, 1984, p.8)

The introduction of one-year YTS in 1983 established a model of employer participation in VET which has continued through into the 1990s. Despite the wealth of literature published about YTS, it is necessary here to review the scheme in order to try and clarify the different ways in which employers were actually involved. Much of the literature has focussed on the performance of YTS vis-a-vis

young people's achievement of qualifications, the numbers gaining permanent jobs, the scheme's equal opportunities record and its contribution to the shift towards a competence-based approach to the curriculum of both education and training. The role of employers in YTS has tended to receive attention within the context of broader critiques of the scheme which give the impression that employers played a bigger and more influential role than was actually the case.

As a number of authors have observed, YTS was designed, by MSC civil servants, around a complex mixture of ideas about both what school leavers needed to make them employable and what the country needed its school leavers to be.(see Keep, 1986, Finn 1987, Silver 1988, Jones 1988 et.al.) The one-year scheme included, therefore, preparation for work, core and transferable skills, on and off-the-job training, guidance and counselling, and opportunities for tasting different occupational areas. By blurring the long-established demarcation lines between education and training, YTS enabled the FEU to promote its work on vocational preparation and 'life and social skills' through publications such as *A Basis for Choice* and *Supporting YTS* (1983) both of which were designed to help colleges of further education develop curriculum and teaching strategies to cope with the influx of a new type of student. It is important to note, at this stage, that eleven years after the introduction of YTS, the actual training element of government-sponsored youth training schemes to develop young people's job-specific skills is still struggling to show any real improvement in skill levels.

Colleges, along with private sector companies, became part of the countrywide network of thousands of Managing Agents(MAs) under the delivery arrangements for YTS. Some of these MAs still exist in the early 1990s acting, as they did back in

1983, as umbrella agencies placing school leavers with local and regional employers under the latest version of YTS, the Credits schemes. Interestingly, the same MAs, which include colleges, are also monitored by the same civil servants who, over the years, have switched from the original area offices of the MSC to become employees of the TECs. In their research into the role and behaviour of MAs, Chandler and Wallace (1990) have criticised the pseudo 'enterprise ideology' which makes MAs act as profit centres from which trainees are 'sold' to employers yet whilst operating within a system which relies on state subsidy and state intervention. Chandler and Wallace are right to criticise the pressures on MAs to act as traders in young people, behaviour which is certainly encouraged by the short-termism which often underlies the recruitment practices of employers, large and small, local and national. Lee, et.al. (1990) too discuss the market trade character of YTS in which

....employers' widespread belief that candidates for YTS places were of poor quality created a vicious circle of expectations which kept the number of places with good job prospects small.....Large and stable firms and schemes attracted a surfeit of school leavers from which the most qualified could be recruited.....But the smaller and less well known the site of the placement, the greater the difficulty the managing agent (or the employer or the Careers Service) had in 'selling' their training to potential trainees.(Lee,et.al. 1990,pp.20-21)

Lee also notes that large firms used YTS to

...reopen training capacity which they had closed down during the recession so making extra places available. However, the skills offered, for example in certain engineering crafts, could be the ones for which the recession had reduced demand and did not necessarily lead trainees into a job at the end of their training (ibid, p.19)

At the same time, employers in service industries, where training costs were low in

relation to the size of subsidy from YTS, were encouraged to recruit trainees and did so at the cost of jobs for adults whose wage demands would have been higher.

Neither Chandler and Wallace or Lee extend their analyses to explore the positive ways in which YTS affected general training standards across a range of employers who were involved. A small number of large employers (such as Bass Breweries in Burton-upon-Trent, Rolls Royce in Derby and Crewe and Boots the Chemist nationwide), some of whom had a long history of apprenticeships, were MAs in their own right. These employers recruited education and training personnel to run their in-house youth training programmes. Sainsbury's supermarkets, for example, recruited 35 education officers in England and Wales in 1984 to develop off-the-job training programmes in every store. Workplace supervisors from these large companies, along with those from small and medium-sized companies providing workplacements for umbrella MAs, and lecturers from college-based schemes attended courses (usually the City and Guilds 924 Youth Trainer's Award) at regional Accredited Training Centres(ATCs) where they acquired skills in the assessment of job-specific and core skills, the construction of learner-centred training, and trainee-centred reviewing. The YTS Design Framework, introduced in 1986 when YTS was extended to a two-year scheme, increased the need for ATC courses so that workplace supervisors and scheme organisers could understand how the extended YTS now gave equal emphasis to the development of job-specific skills, core skills and personal effectiveness and the achievement of vocational qualifications. (see Appendix One) Such courses also played a part in helping employers and MAs gain Approved Training Organisation (ATO) status, which, under the two-year YTS, they had to achieve for their schemes to be granted an MSC contract. Despite criticisms that the ATO process was a token attempt by the MSC

to introduce quality assurance procedures to YTS, it provided a vehicle for many people in supervisory positions to gain a broader understanding of their training function and to gain a recognised qualification.

The contribution which ATCs made to the education of adults in the workplace has never been adequately researched or recognised. As someone who worked as a consultant to ATCs in Derbyshire, Staffordshire and Lincolnshire in the early 1980s, I worked with dozens of workplace supervisors from a variety of occupational sectors for whom the ATC course was their first opportunity to return to formal learning since leaving school. In some cases, their performance on the ATC course brought them to the notice of senior managers and led to promotion whilst for others, new-found confidence in their ability to learn inspired them to seek further challenges such as Open University courses.

In addition to the requirement for trained trainers, the administrative procedures, including the maintenance of adequate trainee progress records, associated with gaining and keeping ATO status were of benefit to a company's general training profile. Formal monitoring by the Training Standards Advisory Service (TSAS) helped raise and maintain standards in ATOs. Thus, in a number of public and private sector organisations, YTS became a vehicle through which training standards across the workforce were advanced.

A similar situation exists now, in the mid-1990s with the introduction of NVQs which require education and training professionals to grapple with such concepts as the accreditation of prior learning (APL) work-based assessment and individualised learning programmes. NVQs, like YTS, demand a massive pedagogical shift to a

learner-centred education and training system, the domino effect of which, in terms of organisational structure, is only just beginning to filter through. The much heralded 'learning company' (as described by Pedler, et.al., 1989, Peters and Waterman, 1982, et al.) demands a high degree of understanding about learning from all personnel responsible for the training and managing of others. A large manufacturing company in the Midlands which revamped its training policy by introducing NVQs discovered that once you allow your workforce to demonstrate their true potential you have to address the way in which the whole plant, including the shopfloor, is structured. For example, the traditional supervisor and chargehand have to be replaced by team leaders, and progression from operative to management level has to be more fluid. (Unwin, 1990) Creative approaches to training which facilitate rather than prescribe learning will often reveal an uncomfortable can of worms for any organisation be it in the public or private sector. YTS had the potential to act as such a can opener.

The paradox of YTS

Four employers interviewed for this thesis in connection with their involvement with Credits (see Chapter Six) provided evidence of the transforming nature of YTS within their companies. The four companies are:

- a) a building society employing approximately 2,000 people
- b) an engineering company employing approximately 900 people
- c) a yarn processing company employing 200 people
- d) a construction company employing 90 people

Companies (a) and (d) cited the requirement to review and record the progress of trainees as being important to their organisations' approach to training. The spokesperson for company (a) said:

There seemed to be a lot of paperwork involved in YTS but looking back I can see now that those records were very useful - they made us check up on the trainees to make sure they were developing their skills and it helped us spot those who were potential supervisor material. The supervisors and managers themselves learned a lot from the system because they had to make constructive comments on trainees and not just pass instant judgements. We're using similar systems now that NVQs have come in. It made the company get more professional about training, particularly about assessing people.

The spokesperson for company (d) said:

New employees - doesn't matter if they're young or older blokes - get pot luck when it comes to training. It depends on who's giving you the instructions. YTS made this company think about who was doing the training.

Company (b) cited the ATO requirement for a company to have trained trainers as being influential. The spokesperson said:

Before YTS, we had a tradition in the company of apprenticeship training. Apprentices were looked after by foremen on the shopfloor and those foremen would have gone through the same apprenticeship. They weren't trained trainers as such - they knew their job and helped the lads through their apprenticeship. When YTS came in we went along with the requirement that our foremen had to get a trainer's certificate and we took the chance to send some supervisors on the course as well. They brought back ideas about helping people learn on the job and some of the ideas about reviewing progress were used later on in the design of our staff appraisal system.

Company (c) cited the relationship between training officers at the company and the MSC's Area Office staff who monitored their YTS scheme. The company's

spokesperson said:

Our scheme came under the Industrial Training Board but we had visits from the local MSC office as well. I was involved in running the induction programme for the trainees at the time and I was very grateful to the MSC staff who helped me get management to realise it was important to give the trainees time to settle in and learn about the business - not just make them sit at a machine and reach their piecework targets as fast as possible. Some of our trainees went on to be supervisors and two made the design office. You need people who understand about training to come in and make management lift their eyes from the budget every now and then.

These four companies share a common belief that the interventionist nature of YTS helped them improve their training standards for the whole workforce. That such intervention was necessary was starkly highlighted in a 1985 report which investigated the attitudes of British employers to investment in vocational education and training. The subsequent report, *A Challenge To Complacency: Changing attitudes to training*, provided disturbing reading for policymakers. (MSC/NEDO, 1985) In summary, the main points of the report were:

- a) Few employers thought that training was a 'main component' in their corporate strategy.
- b) Most employers agreed that Britain did not train as much as her competitors but that they themselves undertook the right amount of training.
- c) There was widespread ignorance among top management of how their companies' training performance compared with competitors both in the UK and overseas.
- d) A high proportion of senior executives had limited knowledge of the scale of resources devoted to training in their own companies.
- e) Training was often seen as an overhead, rather than an investment, which could be

cut when money was tight and was not seen as linked to profitability or competitiveness.

f) Training managers had relatively low status in companies and there was little evidence of training needs analysis or evaluation of training.

g) Employers reinforced their generally negative attitude to training by citing such factors as uncertainty about future markets, prospects and technological change, and concerns about skilled employees being 'poached'.

g) Employers were under very little external pressure to invest in training from government, individuals, trades unions, financial analysts/institutional investors or competitor companies.

The report also noted the contrast between British attitudes to training and those found in Germany (strong formalised tradition backed by legislation), France (legislation of minimum expenditure on training and statutory rights for individuals to take leave to train), Japan (lifelong employment, training checks on subcontractors and nationally recognised skill testing and qualifications) and the United States of America (USA) whose 'entrepreneurial self-advancement ethic' provided cultural pressure for training. (ibid, p.5) The report concluded that:

....if Britain's performance on training is to be improved.....this can only be achieved by a major change in employer attitudes to training; in turn this will require changes in the environment in which they make their decisions. (ibid, p.5)

The report put forward recommendations for action under three headings, each of which is summarised as follows:

1) **Encourage and exhort companies to invest in training** - via companies conduct training needs analyses, preparing externally validated case studies of good practice, introducing a Queen's Award for training, requiring annual reports to state the level of training undertaken, encouraging continued as well as initial training, and introducing tax advantages linked to capital expenditure on training.

2) **Harness the interests of individuals** - via introducing an Individual Training Credit and tax incentives, by requiring professionals to update, and by encouraging trades unions to make training a component of collective bargaining.

3. **Improve the operation of the training market** - via establishing a network of cross-sectoral local employer bodies which would gather and disseminate labour market and training information and, possibly, have delegated powers to distribute grants, and by changing the attitudes and funding arrangements of further education colleges.

The recommendations also gave a boost to the work of the Review of Vocational Qualifications, which had been set up in the same year as the report, by stressing the need for the development of 'a clear structure of qualifications, based on the achievement of standards or demonstrated competence', which had been, of course, one of the original NTI objectives. (ibid, p.31)

Despite the evidence of employer antipathy to and ignorance of workforce training from the Coopers and Lybrand report and from local knowledge being gathered by MSC and TSAS YTS programme assessors, the Conservative Government from 1988

onwards sought to reduce the role of the civil servants and require the employers themselves to take greater control of youth training. Part of the problem, as the government saw it, was the lingering influence of the trades unions, some of whom sought to retain the principles and procedures of traditional apprenticeships within YTS. Here, the government was strongly supported by the CBI who warned ministers that smaller employers, on whom YTS depended for the majority of its workplacements, were not happy with the union involvement and were certainly against the type of statutory framework which underpinned youth training in Germany. (See Raggatt and Unwin, 1991, p.xiii) This led to the CBI insisting on an employer-led scheme which, as Youth Training (YT), replaced YTS in 1990. Unlike the integrated concept of the YTS Design Framework, YT was simply a funding device to help employers and training providers recruit young people. In return, employers only had to agree to providing their trainees with a training plan and to allow them to try and achieve an NVQ Level 2 qualification. Beyond matters of health and safety, formal monitoring of YT providers was non-existent.

The significant influence of the CBI in the late 1980s, as shown by the way in which its ideas about youth training affected national policy, is worth noting here for it will emerge again in the next two chapters. Claiming to speak on behalf of the nation's employers, the CBI has emerged in the mid-1990s to play a central role in the shaping of post-compulsory education and training. Its officers regularly appear on the delegate lists of conferences discussing VET policy and practice and its publications have achieved a similar exposure as that enjoyed by the FEU's publications in the early 1980s. As Grant and Sargent have noted, however, the gap between the rhetoric and reality is a wide one:

Although the CBI does receive valuable contributions of expertise from many of its member firms, its relationship with the chaotic system of industry level associations is more tenuous than one would hope for in a properly organised hierarchical system of industrial representation. (Grant and Sargent, 1987, p.126)

In its attitude towards YTS, the CBI demonstrated that 'tenuous' relationship with industry. Some of the very large companies, employing over one thousand people, were complaining, in the mid-1980s, about the bureaucracy involved in being an ATO but their complaints should not have been allowed to dictate youth training policy. It is ironic that some of those very companies now display plaques bearing the title "Investor in People", evidence that they have signed up to yet another national initiative fashioned by the CBI.

From my own experience working with ATOs in the mid-1980s and from the evidence of those companies interviewed for this thesis, I conclude that two-year YTS could have achieved an effective partnership between employers and policymakers in terms of achieving national VET outcomes. The criteria for gaining ATO status were meaningful and allowed external training expertise to penetrate organisations in the public and private sectors regardless of size and occupational sector. Above all, the requirement for trained trainers enabled many employees, whose own training and development had tended to be restricted, to gain access to externally validated training. The contractual relationship between local Employment Department Area Offices and ATOs meant that civil servants and company representatives had regular meetings, and the good practice being established for the YTS programme was often disseminated throughout an organisation. Building such relationships takes time as, in some cases, the relationship proved to be a catalyst for change within an organisation that went beyond the successful implementation of YTS. Getting ATOs to a point where

managers and trainers could understand the demands of the YTS Design Framework was a considerable task. I asked the four companies referred to earlier in this chapter what they remembered of the Design Framework. Three responses are testimony to its importance:

Company (a) said:

We needed the Framework to remind us of our side of the bargain - the trainees had to have an assurance that they weren't being used for short-term ends.

Company (b) said:

It had some long words and there was confusion over the business of how to put 'the trainee at the centre' - is that right? - but it provided us with a set of guidelines and the trainees could see they were on a scheme where a range of skills were important. It's a shame they couldn't have left it like it was - we were getting used to it. Sometimes you need something like that to get your teeth in to.

Company (c) said:

I can remember having to explain it to our production manager at the time. He thought it made sense to get the trainees to see the job as more than just basic skills. The core skills were a drag but if they'd made them simpler to assess we would have carried on with them because all those things are important in the workplace here. It gave us a real sense of the picture - what we were aiming for - that it was a scheme not just getting some kid to do a job for you.

Networking with employers: working for the community

Apart from providing places for trainees, employers had also been given a role in the local and regional management of YTS through seats on fifty five Area Manpower Boards (AMBs) whose main function was to determine which types of scheme would be most appropriate in their part of the country and monitor their effectiveness. The big employers were not affected by the AMBs as they related to the MSC's Large Companies Unit. Despite the notional involvement of employers, the AMBs appear to have been merely a rubber stamping authority for the Area Office civil servants. (see Finn, 1987 and Randall, 1986)

In 1985, the CBI, the Association of British Chambers of Commerce (ABCC) and the MSC collaborated on a project to examine ways of getting employers more closely involved in VET at a local level. The motivation for this idea appears to have been the 1984 White Paper, *Training for Jobs*, which had introduced the following significant VET initiatives: TVEI and the Certificate of Pre-vocational Education; the PICKUP programme; and transferred 16% of the non-advanced further education (NAFE) funding from the DES to the MSC, thus giving the MSC a 25% stake in the work-related NAFE (WRNAFE) budget. The CBI saw these initiatives as an ideal opportunity for employers to become much more closely involved with VET planning and design, particularly in relation to YTS through WRNAFE, and, together with the ABCC and MSC, recommended that within every existing LEA in England, Wales and Scotland there should be a Local Employer Network (LEN).

In October 1986, the MSC announced that £3.6 million would be available for the initiative for one year only, which, given some 132 LEAs, meant that each LEN would

have a maximum budget of £20,000. With such a relatively small budget, LENs were expected to emulate the mighty Chambers of Commerce found in Germany as indicated by a representative of the Ford Motor Company writing in the launch document:

In Britain we do not have the West German Chamber of Industry and Commerce structure and functions which manage local training. Instead, all we have which is in any way comparable is the MSC administrative structure which manages YTS, through the informal network of Managing Agents. If, and when our YTS achieves the scale and degree of the Dual System, our ad-hoc arrangements will be found inadequate. Both for adult training and for YTS, we need Local Employer Networks to be in place and working effectively - the sooner the better.....In most issues of employment and training, the problems and solutions are real only at local level. National abstractions serve only statistical analyses. (LEN, 1987, p.1)

The document went on to spell out an ambitious mission for the LENs:

Local Employer Networks are designed to ensure employer participation in the VET system in a structured way which will lead in the short, medium and long-term to an improved level of skills, better working of the labour market and improved economic performance.....enormous efforts have been made by schools and colleges in the last few years to put the needs of employers at the heart of the changes that are going on. LENs are designed to consolidate that effort and progress by putting employers firmly in the driving seat at local level. (ibid, p.4)

To form a LEN, a group of employers had to find a 'host' organisation, normally a Chamber of Commerce or employer association, though in some cases actual companies were used. This organisation was given a 'franchise' for three years to run the LEN, with funding (£20,000) for the first year, after which the LEN was supposed to become self-financing. The MSC stipulated that each LEN was to have a volunteer governing body comprising a chairman (sic), drawn from the local

business community who could be the chairman or owner of a small trading company with around fifty employees or the chief executive or managing director of a larger company at local site level. Two-thirds of the rest of the members on the governing body should come from trading (rather than training) organisations with the remaining third comprising personnel or training specialists. The MSC was keen to stress the public relations benefits of voluntary LEN membership:

Membership of a Network should be seen as a positive contribution towards the prosperity of local industry and commerce. This will improve the ability of young people and adults to obtain education, training and qualifications leading to worthwhile employment and reflect favourably on the efficiency and profitability of participating companies. (ibid, p.12)

A full-time, salaried, co-ordinator was to be appointed to manage the LEN and co-ordinate fund-raising activities. Given the shortage of funds, some LENs appointed a secondee from the host organisation as their co-ordinator.

By April, 1987, fifty LENs were ready to become operational and by September 1988, there were 120 nationwide. Almost immediately, employers began to complain about the funding situation, complaints which were later to be transferred to the TEC movement. The manager of the North Cheshire LEN, based at British Nuclear Fuels, declared:

It has not been clearly spelt out that the Government expects employers to fund networks and, in so doing, fund training. Those network managers who are secondees and whose salaries are secure, have been in a much better position to cover those major objectives which are not income-generating. This kind of pressure at such an early stage of the development of the networks has meant that they have not progressed as rapidly as they could have done. (Wright, 1989,p.44)

As is often the case in British policymaking, no sooner had the LENSs been formed when their obituaries were being written following the publication of the 1988 White Paper, *Employment for the 1990s*, which announced the establishment of an alternative employer-led network, the TECs and LECs.

That employers actually came together to form LENSs is curious but, at the same time, illustrative of the way in which business leaders seek to maintain a prominent profile in community life, a theme which will be pursued in more detail in Chapter Four.

Chapter Three

Employer-led realities: the case of apprenticeships

Introduction

Carrying out research in the early 1990s into the aspirations of young people in economically depressed parts of the North West of England, I was struck by the continued reference to two criteria for judging whether a job was worth having:

- a) that the job should be with an employer who would take you under his/her wing and teach you all you needed to know and
- b) that the job should give you the chance to get a qualification which any employer would recognise. (Unwin, 1992)

Both criteria reflect how young people, and particularly their parents, judge jobs according to how closely they resemble the classic apprenticeship model. The chief executive of a TEC told me in 1993 that:

We should have kept the name 'apprenticeship' and promoted it as a 'gold' standard' like A levels. I never realised how important the name was to people. No-one remembers the poor apprenticeship schemes or the fact that apprentices learned a great deal of useless, outdated stuff at college, or that they took a long time to complete. They remember that getting your City and Guilds qualification, your papers, gave you status in society. (Unwin Research Diary entry, April 1993)

It is interesting to speculate whether his views have influenced government thinking on the 'Modern Apprenticeship' scheme, announced in the November 1993 Budget, and to notice the similarity between these views and John Major's 'Back to Basics' campaign which gained such media attention in early 1994.

The close relationship between the apprenticeship system and certain sections of the manufacturing and construction industries has meant that apprenticeships dramatically declined as those industries declined from the mid-1970s onwards. Despite their collapse, however, apprenticeships are still regarded by many people as the most attractive and, in terms of the country's skill needs, effective model for youth training. Moreover, apprenticeships are often portrayed as the only form of training which is worthwhile. Testimony to the continued view of apprenticeships as some kind of training nirvana can be found in the CBI's call for 'careerships', a term used by some TECs to describe their youth training schemes and the constant references to the dual system in Germany in which thousands of teenagers enter apprenticeships lasting several years.(see CBI, 1993a)

There are very few research-based studies of apprenticeship in Britain of which, the most recent is Venables' longitudinal study of 2,000 apprentices spread over ten years between 1956 and 1966. (Venables, 1974) Venables concentrates her analysis on the role played by technical colleges in providing the off-the-job education and training element of an apprentice's programme which, she concludes, was a 'mere adjunct' to the apprentice's training in the workplace and generally " a very hit-or-miss affair". (ibid, pp.131-132) In his polemic against apprenticeship in the Sheffield steel industry, Paterson declared that, as an institution, it was a:

...makeshift, class-ridden, inadequate, anachronistic contract which perpetuates master-servant relationships and the confusion, if not the exploitation, of the young in a sphere which cries out for enlightened and flexible forms of occupational training for all young people. (Paterson, 1966, p.2)

There are, of course, several studies of the role of apprenticeship within the German Dual System which is cited constantly by researchers, policymakers and politicians as the 'gold standard' for VET systems. (See, for example, Lane, 1993, Prais and Wagner, 1988, Raggatt, 1988) The key features of the German apprenticeship, which contrast with the British model are:

1. The content and standard of training across the occupational sectors are determined at federal level by a tripartite body.
2. Works Councils monitor training and the training contract between apprentice and employer at company/plant level.
3. Only qualified employees (Meisters) can act as trainers.
4. Local chambers of craft and industry examine the apprentice in both theoretical and practical content.
5. The final qualification is recognised throughout Germany.

Despite the fact that other countries appear to envy their Dual system, the director of the German Federal Institute of Vocational Education and Training told a *Skills for Europe* conference in 1992 that the system "provided little over-arching experience to back up occupationally specific training, giving qualifications a very short shelf-life and students few transferable skills to help them cope with rapid changes in the workplace". (THES, 1992) The same conference also heard that small and medium sized companies were pulling out of the German system because it was proving increasingly costly and that there was a problem of poor co-operation between employers and the education colleges involved. (ibid)

Given the attraction of apprenticeships, it is important, at this stage of the thesis, to

explore their history and folklore, and, in particular, to examine the role which employers have played in both the rise and fall of apprenticeships.

Roots in history

The concept of formal apprenticeship developed with the craft and trade guilds formed in the Middle Ages. In 1563, The Statute of Labour required craft apprenticeships across some thirty occupational areas to run from the age of 14 to 21. Despite this state intervention, however, apprenticeships were controlled by the independent and privately funded guilds and associations and it was not until 1836 that state money was used to directly fund technical education. Initially, the money was directed towards design education and was allocated annually to provincial schools of design by a public office, later to be called the Board of Trade. (see Curtis and Boulton, 1970) The provision and accessibility of technical education continued to develop throughout the 19th and 20th centuries in a rapid, if piecemeal and ad hoc fashion with the establishment of technical schools, Mechanics' Institutes, and colleges. Yet, despite the establishment of technical schools by the 1944 Education Act, their rationale and remit was never really clear, unlike that of the grammar and secondary modern schools:

...the marginal position of technical schools after 1944 was rooted in inter-war uncertainties about just what form the technical education of adolescents should take. Should specific trades or general principles be taught, and from what age? Was the trade school, the Technical High School or the post-school technical college the model to follow? These issues were much debated between the wars....but responsibility for the failure to resolve them ultimately rests with the central educational authority and can be explained in terms of its commitment to a hierarchical secondary system geared to selection for 'liberal' education and ill-equipped to discriminate between its rejects or to provide them with forms of

secondary education defined in positive terms, rather than as the negation of grammar school provision. The junior technical school of the years before 1914 could be said to have had a clear rationale as a pre-apprenticeship school end-on to elementary education ending at fourteen. But once eleven had been established as the entry point for secondary education, dominated by a 'non-vocational' philosophy, the logic of the preference of the Technical Branch of the Board of Education and the technical associations for entry at thirteen plus and for advanced work geared to skilled apprenticeships was to take technical education out of the school system. (Vlaeminke, 1990)

At the same time, it must be remembered that the apprenticeship system remained in the control of the employers and the trade guilds (some of whom would metamorphose as trades unions) and so lay outside the burgeoning state education system. Like their medieval predecessors, the trades unions, from the 1850s onwards, controlled entry to a range of occupations, the content of the apprentice's training, and insisted on a progression route tied strictly to the amount of 'time served'. Keep and Mayhew (1988) point out that whilst such features were not usually to be found in the apprenticeship systems of other countries, they were perpetuated here by the attitudes of both the craft unions and employers and allowed to transfer into new industries.

Even when industry was hit by economic recession, as, for example, in the 1870s, and by technological change towards the end of the 19th century, the apprenticeship model survived. McClelland, writing within the context of engineering and shipbuilding which employed huge numbers of apprentices, suggests there are three key categories of reasons why apprenticeship remained largely unchallenged, reasons which are important in terms of formulating an understanding of the way in which employers view education and training in the 1990s. I have summarised McClelland's reasons as follows:

1. The view that industry needed a core of skilled people to whom much larger numbers of semi and unskilled employees worked, remained relatively unchanged despite technical advances and, until 1914, industry continued reaping profits from the large market provided by the British Empire. These three factors combined to create the illusion that British industry could carry on operating as it had done throughout the Industrial Revolution.

2. Apprenticeship training was cheap with apprentices prepared to work for relatively low wages in order eventually to become skilled.

3. The growth of state-funded technical education in the 19th century was slow and only had a slight impact on the overall labour force.

In terms of engineering and shipbuilding employers, McClelland asks "....what could a formal technical education provide for labour that was not learned on the shopfloor?" In addition, he notes that the unions were similarly indisposed to moving away from on-the-job training, preferring "the continuing training of labour by labour itself rather than by external institutions". (McClelland, 1990)

Such commitment to the apprenticeship model illustrates the unimaginative approach to training prevalent in British industry for, as Keep and Mayhew (1988) have stressed, the concept of apprenticeship, tied as it was to job demarcation, severely restricted mobility in the workplace, a legacy which has hampered human resource development for decades.

The separation of the apprenticeship system from the development of a state education system continued well into the middle of the 20th century. (For a discussion of the continued separation of technical education in schools and the preservation of the 'classical' curriculum in private schools in order to perpetuate the British class system, see Shilling, 1989.) Although it is true that, from the turn of the century, increasing numbers of apprentices attended some form of evening instruction at a college or Mechanic's Institute, they did so at the behest of their employer and union, not as part of a nationally determined strategy. And, it must be remembered, because the majority of employers existed outside the occupational sectors which had been traditionally linked to the apprenticeship system, Britain had large numbers of young workers who received either minimal or no training at all. Roderick and Stephens point out that:

The Board of Education Report in 1926 drew attention to the lack of facilities and amenities in technical education. Firms were not interested in the education of their employees, and the few firms involved were only interested in part-time evening instruction and not in the newer day-release schemes. There was little contact between schools and industry as teaching was thought by industrialists to be too academic and theoretical. (Roderick and Stephens, 1982, p.25)

As late as 1961, a report on technical education in Wales by the Central Advisory Council for Education complained that the standard of training given in apprenticeships differed "greatly from one firm to another" and went on:

Some apprentices are fortunate in that their employers conduct well-planned schemes of practical training which may include a year or two at a Works Training School. The training received in this way gives them every opportunity to familiarise themselves with various aspects of the craft and prepares them well for careers as craftsmen. Many others however are not so fortunate, and they receive training which is narrow in its concept and is of poor standard. A craftsman so trained often finds himself

incompetent to carry out his duties satisfactorily, particularly if he moves to another firm whose methods may be different from those of the firm at which he served his apprenticeship. A system which allows the standard of practical training an apprentice receives to depend completely on the facilities which his employer can offer is unsatisfactory to the trade and unjust to the apprentice. (Maclure, 1968, p.270)

In her study, Venables concluded that the apprentice could not even be sure that his training would be recognised by his employer. Only half of her sample group reported that they had received some form of recognition such as increased wages, promotion or further training opportunities. (Venables, 1974, p.103)

In less than thirty years since the 1964 Act, the apprenticeship system has been largely swept aside by a host of youth training initiatives, the main criticism of which, ironically, is their inconsistency in terms of standard. Furthermore, those apprenticeships which still exist are, as they have always been, highly selective in terms of ability and largely recruit white males. In 1969, when the number of apprenticeships was at its peak, the system covered one third of all boys but less than one tenth of girls, of whom most were apprentice hairdressers. (Ainley, 1990, p.2)

The collapse of the apprenticeship system is illustrated here through two vignettes drawn from:

- a) The electricity supply industry
- b) The chemical processing industry

The first vignette of the National Grid Company demonstrates the dramatic effects of organisational restructuring on a company's training policy and practice, a result of the 1990s fashion for large companies to devolve operations into decentralised,

smaller units. The second vignette of Courtaulds Chemicals demonstrates the way in which a company's production processes and, hence, labour requirements can change over a short period of time and the effects of that change on the local community. In particular, both vignettes suggest that the model of apprenticeship prevalent between the second World War and the late-1970s, which saw sizeable cohorts of young people recruited annually to an individual company, is now outdated.

Vignette One: The National Grid Company

The electricity supply industry, which had been nationalised after World War Two, was put back into private hands in 1989 when the Central Electricity Generating Board (CEGB) was split into three generating companies and the National Grid Company. From its headquarters and national training centre at Eakring near Mansfield, the National Grid's corporate training department directed training policy and practice for the company's 6,500 employees, at least half of whom were qualified craftsmen. The company recruited, on average, thirty graduate trainees each year who spent 36 weeks studying at Eakring before being placed with one of the company's sites.

The former CEGB had run a national apprenticeship scheme but, after privatisation in 1989, the National Grid dropped the term 'apprenticeship' and introduced the name, Craft Training Scheme. A former training manager at Eakring believes that the name change resulted from comments by a number of senior staff to the effect that the term 'apprenticeship' was old-fashioned and reflected a rigid approach to training which the company no longer required. He said:

Dropping the term apprenticeship caused a lot of ill-feeling as we still had a lot of people who were part way through their indentures and were proud to call themselves apprentices - it meant something in the company, it had status. (Research diary entry, November 1993)

A typical CEGB district would recruit approximately 50 craft apprentices (mechanical, electrical and instrument engineering and transmission), 25 technician engineering apprentices, 12 professional engineering trainees and a small number of clerical and accountancy apprentices. (These figures relate to the South East district which, in the 1960s, generated about one fifth of the electricity supply for England and Wales from fifteen power stations.)

In late 1993, the National Grid reduced its workforce from 6,500 to around 4,000 employees and cut the number of staff at Eakring from 118 to six who now form an 'executive core', one of whom is the education and training manager for the company. A team of 60 people, taken from the original 118 at Eakring, supply 'professional services' (for example, training, industrial relations) to all the company's sites. The team, 18 members of which advise the training officers based at the sites, has to sell its services and is expected to become financially independent. Part of the team's function is to help the sites maximise the talents of the existing workforce as, from 1994, the company has imposed a two-year moratorium on the recruitment of young people to its Craft Training Scheme.

A retired instructor for the CEGB and later National Grid's craft and professional training schemes, and himself a former apprentice electrician, described the collapse of company-run, long-term training as a 'disaster for companies and communities'. He said:

When I did my apprenticeship just after the War with Sheffield Transport, it was good, plenty of variety of work and foremen who were really involved with your training. But I knew other lads who didn't have the same standard as I did. The 1964 Act helped improve matters and, in the 1970s, certainly in engineering we made the off-the-job link with colleges and examining bodies like City and Guilds very substantial. This was important. Parents knew their sons would get a decent training and a qualification. It was a proud moment when the indentures were signed. The emphasis now is on cost-cutting and the company will lose its important links with the local community which apprenticeships provide. (Research diary entry, November, 1993)

Vignette Two: Courtaulds Chemicals, Spondon

Courtaulds Chemicals occupies a site at Spondon, on the outskirts of Derby, which has been manufacturing chemicals of some kind since 1916 when the British Cellulose Manufacturing Company produced cellulose acetate to waterproof the fabric covered wings of First World War fighter planes. By the late 1930s, British Celanese, as it was then known, extended the site to include a textile business and employed some 18,000 people. In the 1950s, the site was further expanded in order to manufacture acetate filter tow for the tobacco industry and in 1957, British Celanese was taken over by Courtaulds plc who now own the whole site, the largest part of which is operated by Courtaulds Chemicals, whilst a smaller part, devoted to filament yarns, is operated by a subsidiary company, Novaceta Limited, fifty percent of which is owned by SNIA fibres of Italy. By 1993, the site, which occupies 360 acres, employed some 2,000 people and was the third largest employer in the Derby area. The company trades in over fifty countries worldwide.

From the early 1960s to 1981, company records show that the Spondon site

recruited a minimum of between 25 and 30 apprentices every year from the local community, all of whom were guaranteed permanent employment if they reached the required standard after serving a four or five year apprenticeship. In 1969, Spondon's apprentice numbers increased dramatically as 85 were recruited, 41 of whom were fitter/turners. That same year, 508 apprentices were taken on across the whole of Courtaulds working on sites in England, Wales and Scotland.(see Appendix Two) The number of apprenticeships was based on the company's turnover and, at Spondon, covered the following range of trades:

Fitter; carpenter/joiner; electrician; plumber; pipefitter; tinsmith; coppersmith; turner; sheetmetal worker; tackler; hand engraver; pentographer; welder; painter; signwriter; loom overlocker; textile designer; bricklayer; instrument mechanic; motor mechanic; lagger.

In late 1979, trading conditions in the UK textile industry began to deteriorate, a situation which was soon to be mirrored by the rest of industry. Courtaulds began major restructuring of its businesses throughout the country resulting in heavy job losses and changes to production processes. In 1981, the apprentice training centre at the Spondon site was closed, the annual recruitment of apprentices halved, the guarantee of a permanent job ended, and the number of trades covered was reduced to three: *fitter turner; electrician; instrument mechanic*. Between 1984 and 1992, six apprentices were taken on each year and none were recruited in 1993. From 1989, as a result of moves towards multi-skilling, the apprenticeship was reformed so that the first three years covered a broad range of skills and only the final year allowed the apprentice to specialise.

Despite changes to the way in which apprentices were trained, the company still required apprentices to sign indentures, the symbolic and contractual bond between employer and employee. Up until the late 1980s, apprentices, and their parents,

signed a detailed set of papers bearing the company's seal but, as the apprenticeship programme shrank, the indentures were reduced to a mere leaflet. (see Appendices Three and Four) The minimalist style of the indentures can act as a vivid metaphor for the collapse of commitment to long-term training by the company.

The training manager for the Spondon site reflected similar views to the former instructor interviewed at the National Grid Company. He said:

At the centre of the apprenticeship model was the link with parents and the local community. You knew that, on the whole, parents would support their children, make them understand the commitment of an apprenticeship and, in turn, the company was making its commitment to the community. (Research diary entry, July 1993)

Can apprenticeships be re-invented?

The government's 'Modern Apprenticeship' scheme will be launched in September 1994 when fourteen industry sectors pilot their models for reinventing an approach to vocational training which requires significant commitment from employers. From September 1995, all industrial sectors will be covered. The pilots have been designed, to ED specifications, by TECs and ITOs representing the following industries: agriculture and commercial horticulture; business administration; chemicals; childcare; electrical installation engineering; engineering manufacturing; engineering construction; information technology; marine engineering; merchant navy; polymers; retailing; steel; travel services. The TECs will supervise the organisation of the pilots and will underwrite an agreement between the apprentice and the designated employer to ensure that the training is completed. All apprentices will work towards a minimum of NVQ level 3 and the ED

has announced that it expects some 150,000 young people to be involved in the scheme at any one time. (Wye, 1994)

In her speech to a CBI conference on Youth Credits in December 1993, Ann Widdecombe, Parliamentary Under Secretary of State for Employment, said:

We do not want to stay locked into the traditional apprenticeship industries. The new model can be used almost anywhere and we need a real effort to involve sectors which haven't traditionally offered apprenticeship - just as we want to see them available equally to young women and men. (ED, 1993a)

In the light of the evidence cited here from two national companies, the government will have pragmatic reasons for not wanting to "stay locked into the traditional apprenticeship industries" as it appears very likely that there will be few places available in engineering, chemicals and general manufacturing.

Apprenticeship clearly provided a direct association between learning skills and the place of work in which they were to be applied. It also provided a framework within which young workers could be socialised both in terms of the rules and required behaviour in the workplace but also in terms of their self-awareness of their position in society. The paternalism of the employer was central to this model in which shopfloor foremen (hardly ever women) and supervisors acted as surrogate teachers, social workers and parents to their teenage charges. This very close relationship between employer and trainee has been the Holy Grail of subsequent training schemes for both young people and adults. Employers, however, have continued to demonstrate that their attitudes to and understanding of the apprenticeship model have not been transferred to the training of young people and

adults in general. In addition, during the twenty years since the foundation of the MSC, employers have become used to government-sponsored youth training which, for many employers in companies of all sizes, has meant access to a pool of virtually free labour. As long ago as 1984, Coffield wondered if it would be possible to ever reach a stage again when employers could be 'weaned' off government training schemes. (Coffield, 1984, p.130) Under the "Modern Apprenticeship" scheme, TECs may find they have underwritten a substantial gamble.

Chapter Four

Paternalism or active participation?: Employers and Training and Enterprise Councils

Establishing the TECs

To date, the most overt action in the Conservative government's attempt to create an 'employer-led' VET system has been the establishment of the TECs. After a brief flirtation with LENSs, as discussed in Chapter Two, the 1988 White Paper, *Employment for the 1990s*, announced the creation of the TECs (and LECs in Scotland) and described the leading role employers were to play in a reformed training and enterprise system. Two paragraphs in particular capture the tone of the White Paper:

Above all, we must invest in the skills and knowledge of our people and build up industry's skill base, through a strategy of training through life, to enable Britain to continue to grow and generate jobs. The prime responsibility for this investment lies with employers. It is up to employers and individuals, by their actions, to ensure that the jobs come about; and in reskilling the labour force there are new partnerships to be created between enterprise, vocational education and training, between delivery at local level and policies and priorities at national level, and between employers and Government, customers and providers.

The creation of TECs is a truly radical step. It will give leadership of the training system to employers, where it belongs. Through their participation and involvement it will change the focus of training and bring home the importance of training for business success to every employer throughout the country. By increasing employer responsibility for local training arrangements and enterprise support and development, TECs will ensure that training provision is more relevant to employers' needs and so improve the skills and enterprise of the workforce. By promoting training arrangements that are clearly linked to business success, TECs will generate more private investment in training. As employers

recognise the economic necessity to train and the returns available, they will be encouraged to make a larger investment in training. TECs will also meet the needs of new and established small businesses by applying national programmes and by developing local enterprise support networks to harness the growing opportunities available in local business markets. TECs will build a more coherent approach to training and enterprise at the local level and promote the need for flexibility, enterprise and change in response to the challenge of the 1990s.

(DE, 1988)

The references here to the responsibilities of both employers and individuals, and to the concept of 'customers and providers' have direct echoes in the 1985 *A Challenge to Complacency* report referred to in Chapter Two. The call for 'new partnerships' introduces a different idea and should be seen in the context of three policy decisions taken by the then Thatcher government:

- 1) to decentralise the management and implementation of youth and adult training programmes;
- 2) to create a marketplace in education and training;
- 2) to redefine the role of the civil servants who, having had their jobs transferred from the MSC to the Training Commission, were now to become part of an emasculated arm of the Employment Department, the Training Agency.

Devised at a time when the 'enterprise culture' was apparently successfully embedding itself, the TECs were an obvious invention for a government which had all along sought to replace public sector involvement in VET with a privatised system. Sir Geoffrey Holland has recalled how, as head of the MSC, in July 1988, he attended, with Norman Fowler, a tea party for YTS trainees given by the Prime Minister. The Prime Minister lectured Holland and Fowler on the need to weld

training to the enterprise culture and that she expected them to come up with a mechanism to do this by September that year when the Cabinet was meeting at Chequers. (see Agenda, 1993a, p.12) That the other political parties also supported the establishment of the TECs is evidence of the now deeply entrenched belief, which gained strength from Callaghan's 1976 Ruskin speech, that, when it came to VET, industry and commerce should lead the way.

It has been widely reported that the concept of the TECs was born during a visit to the United States in the late 1980s by the then Secretary of State for Employment, Norman Fowler.(see Stratton, 1989) He was, apparently, much impressed by the network of 600 Private Industry Councils (PICs) which had been established in 1983 to co-ordinate and develop training programmes for unemployed adults. The PICs, the majority of whose members and Board Directors represent local businesses, receive funding from the federal government. Whilst Fowler may have borrowed some ideas from the USA, the TEC concept was very much in line with the central government policy of the 1980s which, was, as Dale has forcefully described, to reconstruct the elements of the Welfare State and public sector in general so that the marketplace guided by a strong State would form a 'new settlement':

The cornerstone of the new settlement is the market. The market is to achieve more effectively, efficiently and equitably all that the Welfare state as the cornerstone of the post-war settlement promised, and, it is argued, failed to achieve. Further, the market can achieve all these social gains without the major fiscal crises inevitably created by chronically voracious welfare state services and benefits. The market is (to over-summarize) to replace the institutions of the ideological state apparatus. It cannot, though, replace the repressive state apparatus. Rather, it needs it. The market needs the State to bring into being the conditions under which it can flourish, and it needs it to police and guarantee those conditions. The new

settlement is not then premised in the replacement of the State by the market, but on the essential symbiosis of a small strong State establishing and defending the market that funds it.(Dale, 1989,p.116)

Dale's concept of the 'small strong State' is clearly evident in the way in which the TECs have evolved. Despite the stress in the 1988 White Paper on the leadership role of employers, the first three years of the TEC movement has shown them to be organisations constrained by the demands of administering nationally designed and state-funded training programmes whilst, at the same time, struggling to cut the umbilical cord by which they are still firmly attached to the ED. The extent to which local employers, either through representation on TEC Boards or through their involvement with TEC initiatives, can be said to be taking a leadership role is highly questionable and will be explored in more detail in Chapter Five through the case study of South and East Cheshire TEC.

A National Training Task Force (NTTF), comprising senior executives from the public and private sectors and under the chairmanship of Sir Brian Wolfson, chairman of Wembley plc., was formed in 1989 to advise the Secretary of State for Employment on the structure and role of TECs. In 1991, its remit was expanded to that of evaluator of TEC performance as well as adviser to the ED on matters such as priorities for research and strategic policy objectives for TECs. It is to be hoped, however, that the NTTF did not order too much headed notepaper or begin to enjoy its elevated status too much for in 1993 it was disbanded. Out of the NTTF ashes, three new bodies have risen:

1. National Advisory Council on Education and Training Targets (NACETT)- its remit is to promote and monitor the National Education and Training Targets (NETTs).

2. The Independent Assessors Committee - its remit is to monitor TE performance and advise the ED on the appointment of suitable TEC Board directors.

This resembles the original NTTF in that its membership comprises chief executives, or their equivalents, from industry, and representatives from the ED, Department of the Environment and the Department of Trade and Industry. In 1994, the industrialists on the Committee were drawn from the Post Office, Sanisbury's, Dartington Crystal and AEA Technology.

3. Investors in People UK Ltd - its remit is to organise the Investors in People initiative which aims to get organisations in both the public and private sectors to work towards an award which recognises commitment to the training of their workforce. The target is for 50% of organisations employing 200 or more people to gain the award by 1996.

It is worth noting that, in its drive to improve its training record, the country even appears to need a separate ED-backed self-financing company, *UK Skills*, headed by a chief executive, to encourage companies to compete at the annual international Skills Olympics.

Operational structures and funding

Fowler lost no time in establishing TECs and LECs, the first eighteen of whom began working towards full operating status in March 1989. At their launch, he stressed the White Paper's call for 'partnership' with the local community:

As you define your vision and your strategic objectives, I urge you to think boldly. I ask you to think in terms of the community as a whole, of the inextricable links between education and training, between training and development, between enterprise, economic development and inwards

investment because these are all strands of the same thread that is economic growth. The TEC has a unique opportunity to look across the entire community, the local economy and the local labour market and to understand what is working and what is not working. You have the prestige and the resources to influence change in public practice, in the behaviour of your fellow employers, and the attitude and motivation of individual men and women. You have the opportunity to become the focal point for improving the integration of vocational education, training and economic development. You can do this not by delivering these functions or by steamrolling less powerful groups but by mobilising public and private support; by coordinating the proliferation of organisations and activities in your area; and by forging new partnerships to foster community revitalisation.....I am referring to the importance of the TEC becoming a credible community institution - an organisation that is forward looking, open and accessible to its many constituencies. I am speaking about a partnership that builds trust, brokers services, creates opportunities and genuinely engages people in decisions that will affect their future. You have an ambitious agenda, a serious remit. But even our critics will agree that we have recruited the right people for the task. (ED Press Notice, July 1989a)

By the end of 1991, the planned network of 82 TECs and 22 LECs was in place, two years ahead of the original timetable. A TEC (or LEC) is an independent company, limited by guarantee, and run by a board of directors, two thirds of whom have to be leading local employers. The remaining third can be recruited from whichever groups the board sees fit. Most boards, therefore, have representatives from the local authority and the voluntary sector, and some have trades union representation. In 1992, TEC Board representation, nationally, was broken down as follows:

Private sector:	69%
Local Authority and Education	17%
Trades Unions	5%
Chambers of Commerce, CBI, Ethnic Minority Orgs. and others	5%
Voluntary Organisations	4%

(Source: ED, 1993b)

Small businesses (10- 24 employees) are under-represented on TEC Boards. A 1993 survey showed that 44% of TECs did not have a director from a small business and eight TECs had no directors from either small or very small (under 10 employees) companies. (Vaughan, 1993) Given that recent estimates indicate that some 95% of businesses in the UK employ less than twenty people, the lack of small business representation on TEC Boards suggests that TECs will have problems getting their messages and services across to the dominant sector in their local communities. (see Curran, 1993)

TEC Board directors, the vast majority of whom are white males, give their time on a voluntary basis and usually meet once a month. Most TECs operate a membership scheme open to any local organisation in both the public and private sectors. Operationally, TECs are managed by a chief executive and a mixed team of administrators, business and training advisors and other specialists. When they were launched, TECs had to recruit a proportion of the civil servants from the Area Offices they replaced on a three-year secondment basis. After some lobbying from

the TEC movement, Michael Howard, then Secretary of State for Employment, announced that, as from April 1992, they would be free to recruit from outside the Civil Service, setting employment terms and conditions in line with any other private company. In November, 1991, approximately 4,000 civil servants had volunteered to be seconded to TECs. By April 1994, it is estimated that about 38% will have chosen to remain with TECs, the majority preferring to return to the security of their Civil Service employment conditions. In addition, some 30% of TEC chief executives are former civil servants. (These figures were supplied by the personnel section at TEED which stressed that the figures were very approximate.) As the establishment of TECs nationwide has been staggered, it will be 1996 before the last civil servants complete their secondments.

Creating a new organisational culture out of this mix of staff backgrounds has been a problem for TEC managers and staff alike. In addition, TEC staff, regardless of background, have struggled to gain credibility with a range of professionals, notably in the education sector, with whom they are expected to work in partnership. My own experience of dealing with TECs both for this research and for other projects suggests that the troubled relationship between the education and training sectors has been polluted over the years by mistrust, envy, rumour and disrespect. In such a climate, training is still regarded as the nouveau-riche arriviste, who can act in both an aggressive and bountiful manner. A college principal summed this up for me when he said:

The people from the TEC role up here in their new company cars, carrying their filofaxes stamped with the TEC logo, fresh from a buffet lunch in some hotel or other - it's no wonder my staff get prickly. (Research diary entry, March, 1992)

It is notable that in the short life of TECs, they have been treated to intense scrutiny from the national media and from researchers based in higher education, a scrutiny which goes way beyond that applied to schools, colleges or universities. Such scrutiny is, of course, easily explained in the light of the large amounts of public funding which TECs control and their close link to the market ideology of the Conservative government. There is, however, a theme running through the attacks on TECs which reflects the deep cultural divisions which still exist in this country between education and training.

TECs have replaced the ED's Area Offices with geographical boundaries determined by travel-to-work patterns. The average TEC covers a working population of 250,000 people but the largest cover more than 600,000. Unlike the Area Offices, TECs are not limited in their remit to running programmes to relieve unemployment but encompass support for economic growth, the creation of enterprise and a strengthening of the skill base amongst employed as well as unemployed people. TECs are accountable to the Secretary of State for Employment for their management of public funds, have to publish annual expenditure plans and reports, and are expected to hold an open public meeting at least once a year. (see ED, 1994a) The day-to-day management of an individual TEC's contract with the ED is handled by the Regional Offices covering England and Wales. In 1994, the ED Regional Offices became Integrated Offices in order to manage the Single Regeneration Budget comprised of the combined funds of the ED, the DTI, the Department of Transport and the Department of the Environment (DoE). When the new regional structure was announced, John Gummer, Secretary of State for Environment, in a speech which owes much to hyperbole and little to hard facts, told the House of Commons in November, 1993, that:

The Training and Enterprise Councils have brought about the most significant partnership between government and industry in decades....The measures I have announced (today) will build on the successes of and help to secure effective generation and economic development well into the next century. (quoted in Insight, 1994)

In the financial year 1991/92, TECs were responsible for some two billion pounds of public money, apportioned according to the size of community which they serve. Birmingham TEC, for example received £46.5m, Hereford and Worcester £10.1m, South and East Cheshire £10.9m and Rochdale £6.5m. (CLES, 1992) TECs have to allow the National Audit Office, officers responsible for the European Social Fund and the European Court of Auditors to examine their accounts.

Early on in the life of TECs, the effectiveness of their financial management was called into question. Sir Geoffrey Holland, then Permanent Secretary at the ED, in a letter to TEC Chairs in February 1991 which was leaked to the national press, accused TECs of keeping inaccurate records of the amounts of training being delivered and of over-claiming their expenses. Some months later, the Auditor General claimed that TECs were liable to accusations of fraud due to their poor financial management. In 1994, the National Audit Office was still investigating TEC finances.

TECs have to draw up a one year business plan and a three year corporate plan, both of which indicate how a TEC will meet the needs of its local labour market. The largest part of the funding from the ED, which is divided into five *Blocks*, is allocated for youth training (Block 1), a smaller amount (Block 2) for

programmes for the adult unemployed, and an even smaller amount (Block 3) for providing help to small businesses and stimulating enterprise. (see Appendix 2) A Local Initiative Fund (Block 4), which is based approximately on the number of employed people in the TEC area, is the most flexible of the blocks and can be supplemented by monies which the TEC raises privately. For every pound raised privately, the ED matches it pound for pound up to a total contribution set annually for the whole TEC network. TECs also receive an annual management fee (Block 5) to cover staff salaries, premises and general administration costs such as auditors' fees and bank charges. All of this work is currently governed by guidelines laid down by the ED, but in the financial year 1994/95 the Local Initiative Fund, certain education programmes such as Compact, and the Business Start Up funding will be governed from the DoE.

The central feature of the TEC contract is that they meet the so-called 'training guarantee' which demands they provide a youth training place for all 16-18 year olds not in full-time education and an employment training place for all 18-24 year olds out of work for more than six months and less than a year. The funding related to youth and adult programmes is paid to the TECs according to the number of training weeks delivered and the number of qualifications gained by trainees. Since they were established, TECs have sought to shift the payment system much more towards one based on outputs and to abandon the concept of training weeks which, they say, belongs to the pre-TEC era of managing unemployment programmes.

In 1991, TECs were given control of the work-related further education (WRFE) funding previously allocated to LEAs. This funding amounts to some 4% of total

central government funding for further education. (see ED, 1994b, p.3) Though very small in terms of a TEC's total budget, the WRFE monies, which are distributed by the ED, have given the TECs a significant stake in the management of their local FE colleges. The funding, which is based on the numbers of full-time students in FE, is divided into two blocks: the largest, 85%, is to be spent by a college to develop a plan which indicates how it will make sure its provision meets the needs of the local labour market; the second block, 15%, can be used for a variety of projects and can be allocated to Sixth Form colleges where they exist in a TEC area. TECs have the power to veto a college's strategic plan if it does not approve of the WRFE element. In 1993/94, the ED stipulated that the WRFE funding should be used by colleges to ensure they were meeting NETTs, that they were advancing the provision of GNVQs, to improve flexibility of provision, access and participation, and to raise achievement levels. Since the incorporation of colleges in April 1993, the FEFC has been discussing the future of WRFE funding with the ED. If TECs lose this funding, they will revert to the status of being a customer of their local colleges seeking to purchase courses for youth and adult training programmes. In their short lifetime, TECs will have gone from being organisations which colleges treated with caution to customers whom colleges may decide they do not need to serve. Furthermore, research in 1994 showed that 46 TECs and two LECs were actually delivering training themselves and so in direct competition with their local colleges, despite the fact that when they were established, there was widespread agreement that TECs and LECs would not become training providers. (TES, 1994b, p.4)

The dominance of blocks one (youth training schemes) and two (adult training schemes) over the blocks related to enterprise and local regeneration initiatives in

the way in which TECs are funded is shown clearly in these figures for the 1993/94 financial year:

Activity area	Total TEC budget (%)
YT and education	45
Adult training schemes	44
Enterprise	9
Environment and local initiatives	2

(Source: CBI, 1993b, p.24)

The amount of money raised by TECs from the private sector is, according to a CBI survey 'very small', for example, Tyneside TEC raised £119,000 from the private sector in 1991/92, equivalent to 0.3% of its £33 million pound budget from the government. (ibid, p.30) The CBI concludes:

It appears that the Government hoped that, through such features as the Local Initiative Fund and making business contributions to TECs tax deductible, substantial private funding would be attracted to TECs. Apart from employer contributions like those described in relation to Investors in People and YT, which do not appear in TEC accounts, this has not happened. (ibid, p.33)

That TECs continue to receive the vast majority of their funds from the state purse does not present a problem for the CBI which sees public funding as being 'consistent with the strategic role for TECs', yet it is this very reliance on public funds which sets these so-called 'employer-led' bodies apart from other organisations, such as Chambers of Commerce and Industrial Training

Organisations (ITOs) which rely on their private sector members for income. The nature of the relationship between TECs and other employer organisations is likely to be heavily influenced by the introduction in 1993 of yet another new twist in TEC funding. Seven TECs have been chosen to establish so-called *Business Link* centres, a concept first announced by Michael Heseltine, President of the Board of Trade, when he called for a national network of 'one-stop shops' providing support for businesses under one roof. In order to provide such a service, TECs will have to form partnerships with Chambers of Commerce, Enterprise Agencies, local authorities and other organisations which advise and support the business community and which, significantly, have been in existence much longer than the TECs. Any attempt at partnership will need to be sensitive to existing roles and responsibilities. For example, a 1993 review of the relationship between TECs and ITOs found that some TECs had underestimated the services available from ITOs, whilst some ITOs regarded TECs as "inexperienced newcomers in education and training". (Page, 1993, p.8) And, there is concern among Chambers of Commerce and Enterprise Agencies that the creation of 'one-stop shops' closely associated with the DTI will send a message to the business community that private sector funding is no longer needed. The chairman of the London Association of Enterprise Agencies has warned that:

Chambers, as well as agencies, will face a problem of maintaining their membership, with a consequent erosion of their authority as representatives of local business, if 'free' advice is available from one-stop shops. (King, 1993, p.8)

The CBI, in a statement which advocates "a single, strong employer-led voice" for every community, directly counters its own desired goal with a succinct analysis of why integration between TECs and Chambers of Commerce ignores the specific

role each was designed to fulfil:

The Chambers' first allegiance is to their membership and the provision of services that they require including, in many instances, the direct provision of education, training and business advice services on a commercial basis..... (TECs and LECs) are employer-led but, to be successful, they must draw on the goodwill and support of all parts of the community, not just that of Chamber members. The TECs and LECs are primarily funded by Government and have the fulfilment of their contracts as an essential focus of their activities. (CBI, 1993b, p.49)

It is too early to report in this thesis as to the likely success of the *Business Link* initiative as a catalyst for the creation of such partnerships but it is clear that a re-emphasis on the 'enterprise' part of the TEC remit will stir up further debate as to the most effective role for TECs. In Chapter Five, there is evidence from some employers and TEC Board members that the effective marrying of the TECs' remit on enterprise with their remit for running youth and adult training programmes is contradictory.

TECs can bid for extra pots of money each year from the ED to support what are termed *National Development Projects* (NDPs) but this money, like the much greater block funding, has been reduced annually. NDPs are a useful illustration of the subservient nature of a TEC's relationship to both its ED's regional office and to TEED. The following account, using evidence from the North West region, describes the archaic process which TECs go through to obtain NDP funding.

The Guessing Game of National Development

NDPs arise out of the Secretary of State for Employment's 'Strategic Priorities'

which are outlined for the coming financial year in a prospectus for TECs published every Autumn. In 1992/93, the priorities were:

1. Developing Enterprise, Employers' Training and Improving the Effectiveness of Industry Training Organisations. (A possible project here would be staff development for business advisers.)
2. Provision of Effective Information and Advice to Employers and Individuals. (A major project under this heading was Gateways to Learning for which some TECs set up town-centre advice and guidance 'shops'.)
3. Developing the Effectiveness of the Learning Process. (Projects here were geared to the advancement of NVQs through, for example, the development of open learning materials for use in the workplace.)
4. Underpinning Action at Local Level to Improve the Training System.
(Under this heading, TECs were asked to tackle quality assurance, management and trainer training, health and safety, and 'support for people at a disadvantage in the labour market'.)

(Source:ED,1991b)

The prospectus, which contains no information about the size of the NDP budget, makes it clear to TECs that the ED's civil servants at TEED and in the Regional Offices hold all the cards in terms of the decision-making process as this paragraph indicates:

The first edition of the TEC Prospectus (1991/92) for National Development resulted in over 1000 bids of which 400 were approved in-principle. This year the Department is seeking a smaller number of Project Bids which have been discussed and negotiated with the Department prior to formal submission. Bids from consortia of TECs will be welcomed. As last year,

however, this will be a competitive bidding process and the submission of a detailed negotiated Project Bid is not a guarantee of support. (ibid, p.10)

The timetable for the NDP round 1992/93 was as follows:

November 1991	National Development Prospectus issued to TECs.
December 1991	Three national conferences for senior TEC staff at which general information is provided.
Jan/Feb 1992	Regional 'conferences' for TEC operational staff at which they can discuss project ideas with civil servants from different branches of TEED
Feb 28th	Deadline for project bids to be sent to a TEC's Regional Office.
March 31st	TECs informed of which projects will be funded.
April	Work to begin on projects.

In the 1991/92 round of NDP bids, South and East Cheshire TEC was very successful in gaining funding of £483,500 for fourteen projects. They included: developing the use of open learning in small firms; a Pay as you Learn scheme for adults; a freelance trainer service to selected businesses; marketing NVQs in selected occupational sectors and establishing effective infrastructure to enable people to gain access to assessment and accreditation; establishment of a competence-based assessment resource library for use by all NVQ providers; establishment of three high street careers advice and guidance shops; management of the North West Regional Training Access Point Network; a 'Reaching for Success' campaign to develop enterprise culture among businesses in South and East Cheshire; a Careers Education Pack for pupils and teachers; establishment of TEC

as an accredited centre for the Management Charter Initiative (MCI); development of Business Information System for dissemination to other TECs; development of system to enable trainers to gain competence-based qualifications incorporating accreditation of prior learning; a mobile computer system for business advisers for use when visiting clients; and the establishment of management and trainer resources base.

At the conferences for senior TEC staff, the TEC learned that the NDP budget for 1992/93 would be smaller, that the ED was looking for fewer projects from each TEC, and that, wherever possible, the ED wanted TECs to collaborate. Beyond that, very little information was available. The prospectus does list criteria by which it says the proposed projects will be judged but, given that the TECs play no part in the actual judging of bids, the criteria offer minimal help.

On a cold and very foggy day in January 1992, staff from the TEC, along with others in the North West region, went to Haydock Racecourse in Lancashire to meet TEED representatives for their regional consultative 'conference'. I attended that day and observed a series of discussions between TEC and TEED staff. My research diary records the following entry:

January 8th 1992

The racecourse appeared eerie in the fog, rather like a setting for a Sherlock Holmes mystery. Had trouble finding the entrance to the main stand where we were to meet but did so and was shown upstairs to a coffee lounge where staff from the different North West TECs were sitting - one TEC per table. South and East Cheshire has sent a team of five plus me. We were given a list of the TEED branches represented here. Staff from the branches were waiting to see us in

the executive boxes overlooking the racecourse. We split up to make maximum use of the time - two people concerned with the *Gateways to Learning* bid (the biggest in terms of scope and funding required) went to one box, I went with another TEC member of staff to talk to TEED about a bid involving further education colleges, and two others pursued an NVQ-related bid. On the way to the boxes, we met staff from other TECs and the following exchanges were overheard:

"I bet your TEC does okay - you seem to be in favour at the moment."

"Our TEC's only sent me - God knows how I'm going to get round all these boxes."

"I haven't a clue what I'm doing really."

"Do you think they'll tell us how much money there is? - answer _

"You must be joking. You're supposed to guess and hope the bid you put in comes somewhere close to the budget."

"These bids only mean more work anyway - our Chief Executive wants us to go for more and more funding but he doesn't have to do the work. I hope our bids get rejected."

When I entered the first box, I noticed a small table with a green baize cloth, mineral water and bowls of peppermints. The two representatives from TEED were standing by the window looking out at the fog-covered racecourse. They turned and introduced themselves. We shook hands and sat down. My TEC colleague presented a two-page outline of the proposed NDP for which the TEED representatives appeared to be grateful. Some TECs had apparently not reached the stage of committing their ideas to paper. The ensuing conversation, which lasted about twenty minutes, elicited the following information:

- the proposal 'looks promising';
- it would be a good idea if we spoke to another member of staff at TEED for more information about TEED plans in this area;
- another TEC in the East Midlands was planning a similar project and we should try to collaborate;
- there was absolutely no information about the NDP budget 'there

was very little money to go around'.

- the TECs needed to realise that TEED and the Regional Offices could also bid for project money.

We emerged from the meeting to join staff from other TECs, who, rather like horses from their starting cages, had been ejected into the corridor. There was a sense of general bemusement tinged with a little frustration. To my surprise, people appeared to be fairly stoical in the midst of a situation which for me seemed to border on farce, particularly when it was discovered that TEED and the Regional Office might also be bidding for funds from the same pot. When asked, "Who will judge your bid?", the TEED representatives had merely smiled. Comparing notes with our colleagues, we found that the *Gateways to Learning* bid had received the most encouragement but as this was far bigger than the rest and, crucially, had involved discussions between senior TEC management and TEED for some time, it was felt that its fate would be decided separately from the majority of the bids. On the way home that evening, I felt as though I had been participating in a game in which the majority of the participants did not know the rules. The power-play of the TEED civil servants demonstrated the absurdity of the situation. I am reminded of the saying by Montaigne, "When I play with my cat, who knows whether she is not amusing herself with me rather than I with her."

South and East Cheshire TEC was successful with its *Gateways to Learning* bid and received funding for a further four projects. The TEC was disappointed,

however, to have its proposal for a project related to the incorporation of further education colleges rejected as it had worked closely with its local colleges, the LEA and local management consultancies to produce what it perceived to be a proposal which met the prospectus criteria. In similar style to a school pupil receiving their 'A' Level results, the TECs are simply told whether they have passed or failed the NDP test and are not given any indication of how near or far from success were their failed bids.

TECs spend a great deal of time and effort in producing their NDP bids which, according to the 1992/93 prospectus, are needed to ensure that local action is taken to support national development objectives. The rhetoric of the prospectus stresses a partnership approach between government, TECs and related organisations yet the bidding process places TECs in the role of outsiders seeking to find the right passwords so they can be admitted to a very select and secretive club. Clearly, some TECs will have more imagination than others when it comes to designing development projects but even the more successful TECs have admitted that they do not understand how the ED reaches its decisions. An evaluation of NDPs in 1991/92, carried out by consultants Ernst and Young for the Employment Department, reveals the deviousness of the process in which eight TECs, accounted for 30% of the approved bids whilst five received no funding at all:

TEC	Number of Approved NDPs
Humberside	28
South Thames	18
Tyneside	15
South and East Cheshire	14
Northumberland	11
Calderdale & Kirklees, Cumbria and East	
Lancashire	10

(Source: Ernst and Young, 1993)

Furthermore, the government had allocated £11.1 million for NDPs yet only £9.7 million was awarded (ibid). Given the strategic role of TECs in relation to the government's training and enterprise objectives, it is astonishing that TECs are required to participate in an annual competition for substantial extra funding which so closely resembles a paternalistic guessing game. Whilst TEC staff, many of whom are former civil servants, stoically accept this charade, the employers on TEC Boards must be sceptical about the ED's interpretation of the term 'partnership' as used in its NDP prospectus.

Compliant child or independent agency?

The early years of TECs have been marked by deepening economic recession, growing unemployment and persistent forecasts that the UK will continue to lag behind its European partners in terms of the numbers of young people gaining vocational qualifications. In addition, TECs have seen their budgets for youth and

adult training cut each year, causing the leading ones to publicly doubt the Government's commitment to its national training strategy. For example, from more than a £1 billion in 1989/90, the youth training budget dropped to £907 million in 1990/91, to £808 million in 1991/92 and to £703 million in 1992/93. Without taking account of inflation, this is a cut of about one quarter over a period when the number of 16-19 year olds is due to fall by only one fifth. Similar cuts have been applied to the funding for programmes for the adult unemployed. In January, 1992, the City and Inner London North TEC (CILNTEC) reported that it had 500 young people waiting for a training place but had nothing to offer them. CILNTEC's director of planning told the TES:

The funding we have been given is short-term. Providers are reluctant to give us new places because there is no long-term commitment. This is the problem with being funded year on year. Because of the recession, there is more demand for places, and more reluctance from employers to provide them. (TES, Jan, 1992a)

A survey of TEC board members carried out by the Financial Times in 1992 revealed that the majority believed that the progressive cuts in their training budgets would lead to:

- a loss of confidence among local employers;
- the endangering of their training delivery plans;
- mass TEC board member resignations.

The concern about TEC board member resignations was highlighted in March 1992 by reports such as the following in the national press:

The turnover of top personnel at the industry-led training and enterprise councils has reached 42% over the past

year according to ED sources. The resignations are said to be a response to dissatisfaction with the level of government funding for both youth training (YT) and employment training (ET) which together deal with 600,000 unemployed people a year. (TES,1992b, p.1)

This report went on to quote an ED spokesperson disputing the figure of 42% and stating that the true figure was 22% of TEC Board Chairmen (sic) and 27% of TEC Directors who had resigned, adding, ironically given the 1988 White Paper's insistence that leading business people run TECs, "They tend to resign after 12 months because they are busy business people." (TES, ibid)

As early as March, 1990 when the first TECs were about to sign contracts with the ED, a report in The Guardian claimed that TEC leaders were talking about a 'clash of cultures' between the ED's bureaucrats and the very employers to whom they were entrusting the nation's economic and training recovery. The report stated that TEC chairmen were outraged by the seeming difference between the White Paper rhetoric of Michael Howard, then Secretary of State for Employment, and his actual actions when it came to announcing their budgets. It went on:

Just as some of them (TEC chairmen) were coming up to sign contracts for the new TECs next month, Employment Secretary, Michael Howard, decided to move the goalposts. Mr. Howard has used the argument that demographic changes in the labour force with a decline in the number of school-leavers means that the Government does not need to put so much money up front. He has also suggested, without evoking sympathy, that if companies are prepared to fund more training, they will be granted tax concessions. The Government's agenda, clearly, is that eventually industry will foot the entire bill. Although industrialists are not opposed to the state disengaging, they complain that the Government is doing "too much, too soon." Any enterprise needs a period of investment before showing returns. (The Guardian, March 23rd, 1990)

Two years later, in December 1992, the budget problem was still there. Sir

Brian Wolfson, then chair of the NTTF told the Institute of Manpower Studies annual general meeting:

We now have a movement fighting to make do with the crumbs left on the table and the only reason it is still there at all is the quality of the people who have kept in place the quality of the movement. Unless the Government gets its act together and truly decides whether it wants to support the initiative, and make it work in every aspect, it will never deliver to the nation the promise that was so nearly ours. (Wolfson, 1992)

In addition to their frustration with the reducing funding levels, TECs are increasingly irritated by the ED's refusal to allow them the autonomy they feel is necessary to meet the needs of their local labour markets. Instead, they are tied to an annual contracting cycle, dependent on funding levels dictated from the centre, and seem unable to break free of the ED's policy framework for youth and adult training. A survey of 1,200 TEC Board member conducted by the Financial Times in May 1993 revealed a clash of priorities between the ED and TECs. The majority of TEC directors said the training of the jobless was their lowest priority whilst their top priority was local economic regeneration, 'including the creation of jobs so that proper opportunities could exist for the unemployed'. (FT, 1993)

The former head of research and the TEC evaluation branch at TEED has claimed that TECs 'wield genuine power' and that what is needed is the construction of a new relationship between the ED civil servants and TECs:

The difference from the previous system is great. Before the advent of TECs, head office issued guidelines and instructions to regional offices, who in turn passed them on to the 58 area offices which contracted directly with training providers. Area offices had only limited discretion in the structure of the portfolio of provision which they bought. Monitoring data flowed up to head

office, as did the results of national studies of programme implementation and effectiveness. Decisions flowed down. The individual parts of the Training Agency in the field had almost no independent powers. Under the new system, TECs wield genuine power. They are independent signatories to a contract, not dependent bodies.....They are building their power bases locally and collectively. Both because of their local strengths and because their board members are leading industrialists, they can carry clout with a government that leans to informal arrangements with business when it wants to get things done. (Marquand, 1992,p.33)

She goes on to suggest that because the Treasury and Secretary of State for Employment need to be sure that public money is being used properly, the ED's regional offices and head office have to balance the roles of 'policeman' (sic) and supportive 'counsellor':

Are the two roles compatible? On a conflictual model of relations between the state and its clients, they are not. On a co-operative model, they are. If the secretary of state's interest is to ensure the effective operation of TECs, the what is needed is well-informed contract negotiations in an atmosphere of trust, with the policing function confined to financial audit and the remaining information flows - from inspection, monitoring and evaluation - used to enable better ways of achieving mutually agreed objectives.(ibid)

The history of the TECs, however, has so far shown little sign that Marquand's co-operative model of relations between 'the state and its clients' is emerging. Three examples of the way in which the ED relates to the TECs can be cited as illustrations of the fact that it is the 'conflictual model of relations' which remains dominant. The first example concerns the work of the G10 Committee of TEC chairs and the TEC National Council, the second example concerns the publication, in 1993, of the first performance league table of TECs and the third example concerns the role TECs have in the delivery of National Education and Training

Targets (NETTs).

Example one: The G10 Committee and TEC National Council

Ironically, despite the number of leading business people who figure on TEC Boards, the TECs are still struggling to find an effective corporate voice in order to collectively influence Government. In April 1993, Sir Alastair Morton, Chair of Kent TEC, wrote:

If we are not to be reduced to unpaid local lackeys at the beck and call of central government, we must reinforce our ability to fight our corner in the corridors of power.
(Morton, April, 1993)

Reports of TEC frustration which appear in the national media have tended to come via the G10 committee which was formed in July 1990 and comprised the chairs of nine TECs each representing an ED region in England and Wales and a representative from a LEC in Scotland. (Scotland is classed as an ED region) To date, however, they have had little success in terms of halting the cuts in their funding or in loosening the apron strings which bind them to the ED. In addition, the continued separation of the ED from the Department for Education (DFE) has meant that TECs have to keep a careful watch on the way in which DFE policies are in line with or conflict with ED policies.

In July, 1993, at their annual conference in Birmingham, TECs were given the impression that the two Whitehall departments had very different views on 16-19 education and training. Sir Geoffrey Holland, then Permanent Secretary at the DFE, in his address to the conference, told TECs that the government wanted the

numbers of young people in further education expanded by twenty-five percent, a target which TECs had heard stated by the Chief Executive of the newly established Further Education Funding Council (FEFC). Given that in some parts of the country, staying-on rates in education for young people over the age of sixteen had risen to seventy per cent with an underlying trend suggesting further increases, the implication was that one part of the government saw little future for the post-16 work-based routes which TECs administer. The G10 representative for North West TECs wrote to Sir Geoffrey seeking clarification of the staying-on targets and a number of other points which appeared to illustrate conflicting policies of the ED and DFE.

The letter's existence challenges Marquand's view that TECs have 'genuine power' for it demonstrates that TECs are totally constricted by their position as organisations operating within the confines of the ED and so have very little opportunity to influence government policy beyond one department. (see Annexe Five for full text of letter) The letter has to go so far as to remind the DFE of the TECs' role in education and training:

TECs feel that the work-based route, organised by individual or groups of employers with TEC support, will continue to be an essential alternative and that this route is not remedial in nature or for educational failures only. Training Credits and other developments by TECs are increasing the proportion in "apprenticeships" and the achievement of Level 3. TECs are involved, not only in providing this work-based training route for young people, but also in supporting full-time education (through colleges particularly) and Business Education Partnerships.

In addition to the letter, the G10 Committee also commissioned the advertising agency, Burston-Marsteller to develop a national communications' strategy. The

agency's director of public affairs and well-known public campaigner, Des Wilson said at the time:

TECs feel their achievements and their value are not adequately recognised, and that their influence and security depend on correcting that.....Most people do not know that TEC directors are volunteers, that local private sector leaders have put themselves in the front line in dealing with community problems.....Far too often stories appear about TECs without a TEC view or response. Our task is to correct that. But it is also to *initiate wider and more positive publicity*.....For too long the cynics have had the national arena to themselves. (Wilson, 1993, p.7)

In August, 1993, after a great deal of discussion amongst TECs, a National TEC Council was established to replace the G10 Committee. (The seven Welsh TECs have established a separate council) At its first meeting, the National Council debated whether its first chairman (sic) should be drawn from politics or business and whether he should be a nationally known figure. Those arguing for a 'political animal' stressed the need for someone who knew their way round government, whilst others, who were in favour of a businessman, were concerned that the busier the person the less likely they could devote the necessary time to the TECs' needs. (see Agenda, September 1993b) That such a debate should take place illustrates the highly vulnerable position in which TECs still find themselves and the illusory nature of their role as organisations which provide an employer-led dimension to national training policy. Despite having to commission an advertising agency to improve its public relations and despite continued battles with government over budgets, there is a staggering naivety in the speech by Edward Roberts, outgoing chairman of G10, to the new National Council to whom he made the point that businessmen were highly regarded by the present government, and that a business person who knew his way around political circles would be listened to as much as a politician. (ibid, p.6)

Those National Council members in favour of choosing a leading business figure appear to have won the debate as Mike Bett, deputy chairman of BT (UK), will finally take up post as the National Council's first chair in April 1994. This was not an advertised appointment. It is important to record its manner of creation for it illustrates the continued power of the 'old-boys club' approach to much of British public life and deliberately eschews the rhetorical mission statements of TECs in terms of their commitment to equal opportunities, their relationship with small and medium sized businesses, and their desire to serve the diverse needs of their local communities. In addition, it reveals the continuation of the ED's controlling hand on the tiller of TEC development. This is how the newspaper of the TEC Secretariat described, with unintentional irony, the appointment process:

The first Mike Bett heard that the TECs were looking for a chairman of the National Council was when he took a call before Christmas from Ian Johnston, the head of TEED, and old acquaintance from the days when Bett served on the Manpower Services Commission. Johnston asked if he was interested, and suggested that if he was he should give Edward Roberts a call. The upshot was a breakfast meeting at British Telecom's Eastgate headquarters where Bett is deputy chairman and a dinner with Council members in the New Year. The dinner was the first opportunity the Council had had to give the new chairman the once-over, while at the same time giving Bett a chance to assess exactly what he was letting himself in for. The atmosphere was friendly but frank. "They bowled me a few straight balls", says Bett. "But nothing too hostile. It was the nets, rather than a match." (Agenda, March, 1994, p.4)

The appointment of Bett, who is clearly established within the higher echelons of both business and government circles, may help the TECs find a more commanding voice in national policymaking. That very closeness, however, with the highest level of British public and private sector life illustrates the curious paradox which TECs, in their current formulation, represent. On the one hand, they are

seeking to be employer-led at local level which means working with and listening to the needs and problems of predominantly small businesses, whilst, on the other hand, they are tied to performance indicators which reflect national VET objectives and to the rhetoric of improving the nation's competitiveness as espoused by companies such as BT. Even the CBI acknowledges that, in the real world, the so-called 'broad consensus' about VET national objectives which it and other groups promote may be at odds with the interests of employers at local level, as this comment from an employer, quoted in a CBI report on TECs, reveals:

It appears to us that the conflicts between the political expectations of TECs as instruments of economic regeneration and the practical task of formulating essentially local responses to regional need, are unlikely ever to be efficiently resolved. (CBI, 1993, p.24)

Example Two: League Tables

In 1993, when the majority of TECs had been operational for a mere two years, the ED subjected them to the indignity of a nationally published 'league table' in which, like schools, TECs were ranked according to their performance against government targets. The targets were that TECs should be effective in relation to the following seven criteria as measured in April 1993:

1. Cost per output point for Youth Training
2. Cost per output point for Employment Training
3. The number of NVQs per 100 leavers from YT
4. The number of NVQs per 100 leavers from ET
5. The number of young people waiting eight weeks or longer for a YT place
6. Positive outcomes (ie. getting a job, obtaining further vocational training or a

place in further or higher education) per 100 leavers from ET

7. The number of organisations which a TEC had signed up for the Investors in People award.

(Source: ED,1993c)

The ED placed TECs in four groups according to their performance against each of the seven criteria. Those in group one were deemed to have performed the best. Where the DE published the results by listing TECs alphabetically in each group, *The Times Higher Educational Supplement* (THES) produced a straightforward league table by awarding TECs four points for appearing in group one, three points for group two, two points for group three and one for group four, and then adding the total scores. (see Appendix Six for the full THES table) The THES pointed out that those TECs delivering Credits could have lost up to three points as they incur extra costs through running the scheme and noted the following reactions from TECs:

Some TECs placed towards the bottom of the tables pointed out that the department had failed to weight its results to reflect the problems of areas such as London and the South East which had been badly hit by the recession and where costs were high. Michael Clegg, managing director of Essex TEC, which was alone in appearing in the bottom group of all the department's tables, said that training in Essex had been depressed by the recession, but the analysis also left a lot of work out of the final picture. (ibid)

When the league table was published, I contacted twelve TECs (four with over 21 points, four with 15-21 points and four with less than 15 points) to seek the view of the Chief Executive or a member of the senior management team. Their responses, taken over the telephone, represented a unanimous rejection of the ED's action. The following comments from four TECs, which I agreed to report

anonymously, capture the anger and resentment expressed by all twelve respondents:

My Board was angry because the directors felt that all our hard work had been ridiculed - and we're up in the top half of the table. It's about time they produced one for civil servants.

We knew this might come but I didn't think they'd do it so crudely. Of course we should be taken to task about how we're performing - practice what we preach and so on - but in our area and in others the problems have been enormous - we're building on years of neglect. I've now got to sort out how we put forward the other side of the coin and let the local community know what we've achieved - they've seen the press though.

Can you tell me what the point was in doing this? If you can I'll pass it on to my Board.

The problems with raw data have been clearly seen with the school league tables yet TEED insist on using the same methods. Yes, I was pleased to see us up there near the top but it's not a beauty contest - all the work that's gone in to building our reputation locally - it's not about TECs competing with each other - we're separate, have different problems. This is one more hassle when what we want is to get on with the job.

Example Three: TECs and NETTs

In 1991, the government charged TECs with delivering a set of national education and training targets originally created by the CBI in its 1989 report *Towards a Skills Revolution*. Gillian Shepherd, when Secretary of State for Employment, launched NACETT to oversee the achievement of the targets which, she said, would take the nation into the 21st century "with a workforce that is well educated, well trained, and internationally competitive". (Shepherd, 1993) The targets, which

are less ambitious than those first identified by the CBI , are, at the time of writing:

Foundation level targets

1. By 1997, 80% of young people to reach NVQ 2 or equivalent.
2. Training or education to NVQ 3 (or equivalent) for all young people who can benefit.
3. By 2000, 50% of all young people to reach NVQ 3 (or equivalent).
4. Education and Training provision to develop self-reliance, flexibility and breadth.

Lifetime learning targets

1. By 1996, all employees should take part in training or development activities.
2. By 1996, 50% of the workforce to be aiming for NVQs or units towards them.
3. By 2000, 50% of the workforce to be qualified to at least NVQ 3 (or equivalent).
4. By 1996, 50% of medium to larger organisations (more than 200 employees) to be 'Investors in People'.

(source: Spilsbury and Everett, 1993)

That these targets were handed down to TECs by government is a further illustration of the TECs' passive role in national policymaking. TECs in the South East of England complained to researchers that the targets were delegated to them to deliver, "with little consultation, little leverage and almost no resources" leading the researchers to conclude that, " ...there is little sign of employers outside of the CBI being particularly amenable to the Targets. It appears that individual employers will not be particularly interested in the Targets as there is no element of benefit". (ibid, p1 and p.11) Even Peter Davies, chief executive of Reed Elsevier and the newly appointed chairman of NACETT, has his doubts, declaring that "These are not world-class targets. They are the minimum that have to be gained". (ibid, p.12)

The future for TECs

TECs were created to meet the training and business development needs of their local communities and were expected to fashion distinct images for themselves. During their early years, however, TECs have had to fight Whitehall for adequate funding and dance to the tune of the civil servants who sit in London, Sheffield, and the Regional Offices. During the early 1990s there has been constant speculation that TEC directors will resign and that, as organisations, TECs could disappear just as quickly as they were created. How far TECs will be able to, or indeed continue to want to force their own priorities and demands on to the Government's agenda remains to be seen. They are clearly, however, a potentially powerful lobby given that most major companies, some local authorities, trades unions (though a minority), voluntary organisations and the education sector are represented on TEC boards. As they move towards a non-Civil Service employee base, TECs will take on a more distinctive image. Some are already looking to Europe for funding and, perhaps more significantly, for ideas about education and training priorities and standards.

The next chapter provides a case study of a TEC which has come to be regarded within the TEC movement as one of the most innovative and ambitious, plaudits which have been delivered as something of a double-edged sword. Whilst recognising this TEC's achievements, some fellow TECs complain that it wins a larger proportion of the ED's special project funding than it deserves.

Chapter Five

South and East Cheshire TEC: A Case Study

Introduction

South and East Cheshire TEC (SECTEC) began operating in April 1990 and has its headquarters in Middlewich in Cheshire with three district offices in Crewe, Congleton and Macclesfield. The TEC covers three diverse local authority districts comprising twelve market towns covering 50% of the County of Cheshire. The TEC borders, in the West and South West, on the rural areas of Clwyd and Shropshire, and, in the North East, on the industrial conurbations of Manchester and Stockport. The TEC's southern border is with the Potteries area of Staffordshire. South and East Cheshire has a large commuting population making use of the area's good transport network which links into the M6 Manchester/Birmingham 'corridor', Manchester Airport and the Intercity railway hub of Crewe. The working population numbers some 162,000 and the area boasts a wide range of types of employment including agriculture, textiles, mineral extraction, metal goods engineering, chemical manufacture, finance and business services, transport, hotel and catering, and service industries in general. The TEC covers half of Cheshire's total number of employees in the agricultural sector and, due to the decline in this sector's employment prospects, South Cheshire has been given Rural Development status. There are 27 areas in England with this status and they can bid for funding to introduce new employment opportunities and community development projects.

The TEC's southern patch has a concentration of agricultural-based businesses (including chemicals and fertilisers, garden centres and leisure facilities) and engineering (including Rolls Royce and British Rail). Centrally, chemicals and pharmaceuticals feature with companies such as ICI, BP Chemicals, the Wellcome Foundation and Ciba-Geigy. In the north, textiles (with Austin Reed, Chester Barrie and Umbro) and financial services (Barclays Bank, Cheshire Building Society and Refuge Assurance) are well represented. Travel, tourism and leisure represents a growth sector with South Cheshire currently attracting 33% of all tourism in the county. Several major companies have their headquarters in South and East Cheshire and the TEC estimates that there are some 16,000 businesses in total in its area, the vast majority of whom are small and in the service sector.

The Training Agency Computer Assisted Local Labour Market Information (CALLMI) 1988 sample survey of 525 employers in South and East Cheshire indicated that companies were changing their labour demand from a largely unskilled one to a smaller, more highly skilled and, ultimately, multi-skilled workforce. TEC and Cheshire County Council data reflects national trends in the following ways:

- employment growth in part-time and self-employment;
- growth in the service sector, particularly in professional, scientific, financial and support services;
- growth in leisure and tourism and related services;
- fall in manufacturing employment linked to changes in working methods, new technology and changing products;
- fall in primary sector employment (agriculture, forestry and quarrying) with a shift to a more skilled workforce;
- turbulent construction industry which is, on the one hand, helped by the high rate of industrial/business development in the area, whilst, on the other hand, is hampered by the attraction of projects in the Home Counties and London, (e.g. Channel Tunnel), which draw skilled workers from the North West;
- general shift away from craft-operative and labour-intensive occupations towards the technical, scientific and management orientated jobs.

(Sources: SECTEC Corporate Plans and Cheshire County Council Labour Market Research Papers, 1991)

There is an acute shortage of land available for business use in the area, particularly in Macclesfield and Congleton, causing problems for new development. The TEC, in conjunction with the various local education/industry groups, has, therefore, stressed the need for the business community to increase the skill level and tap the potential within its existing provision to ensure that the area's economic growth can be maintained and improved.

Technological change and its implications for the occupational and labour market pattern in South and East Cheshire is a major issue for the TEC. The TEC's second Corporate Plan (1991-1994) stated:

South and East Cheshire, because of its growth in financial and technical services, and because of its manufacturing strengths needs to look more closely at the implications of technological change and information technology and to get a better picture of what is happening and where across the area. At present the only picture emerging is of a growing number of "high tech" companies coming into the area without a true picture of the nature of the business they are in and their specific training and development needs. Similarly there is little information available on the extent of the usage of new technology in all companies in the area and the training needs and skills this demands particularly as new materials and advanced manufacturing techniques are introduced, e.g. In the vehicle industry (well represented in South and East Cheshire) and in the use of advanced polymers and composites.

and

The key task confronting the S and E Cheshire TEC is upgrading its current workforce to meet skill shortages and increased skill demands in the workplace. It will also need to meet the challenge of growth in the service sector with all the retraining needs that that will entail.(SECTEC,1991,p.38)

CALLMI data shows companies in the area reporting problems in filling craft or

skilled vacancies in metal working and engineering, and general vacancies in clothing manufacture, catering, cleaning and hairdressing. The construction sector did not report problems, but the TEC believes this sector relies on recruiting from a regular pool of employees and sub-contractors.

During the 1990s, the resident population of working age in South and East Cheshire is expected to rise by 13%, the majority of whom will be over 25. The 16-18 age group is expected to continue to decline in numbers until the around 2006 when numbers will increase. All three districts show an increase in the female labour supply and activity rates, particularly in the 25-39 age group, and an overall increase in the 40+ labour supply. Apart from Crewe and Nantwich, the 16-24 labour supply is decreasing. Within the 16-18 age group, the biggest decline, 2,510 young people, is forecast between 1988-1996, with Macclesfield being the worst affected of the three districts. The TEC's second Corporate Plan concluded:

....employers will increasingly have to look to older age groups and to women in recruiting against vacancies. Training programmes may need to be targeted and specifically designed for an older age group who have perhaps lower academic and vocational attainment. (ibid, p.59)

Unemployment in all areas of South and East Cheshire has generally been below both the national and North West averages, however, Crewe was badly affected by the economic recession in 1991 and 1992 causing unemployment in the town to rise to 11.6 percent in 1992 in comparison to the North West average of 11.2 percent. Crewe's problems were largely a result of the town's two main employers, Rolls Royce and British Rail Engineering, suffering substantial

reductions in their workforce. This then affected smaller businesses in the town who traditionally supplied the two larger companies. Crewe and Nantwich, with the highest unemployment in the area, has a higher proportion of semi-skilled and unskilled workers, and has lower academic attainment levels than the Cheshire and national averages. On a socio-economic comparison, Macclesfield and Congleton are significantly different from Crewe and Nantwich as Appendix Seven illustrates.

The TEC's Priorities

The TEC's priorities have remained the same since it published its development plans in 1989 prior to its official launch:

- lead and support the growth of businesses in order to create wealth for the local community;
- aim to improve the performance of companies and support business growth and the creation of high skill, high productivity jobs;
- help young people and employed and unemployed adults to realise their full potential;
- be accountable to local businesses and individuals and will aim to offer a quality of service which fully meets their needs.

(Source: SECTEC, 1991, p.3)

In terms of reaching the business community, the TEC chose to give highest priority to those companies in the range 5 -250 employees where it felt the need for improved business performance and employee training was highest. This does not, of course, preclude companies in size bands above and below 5-250, from TEC

attention or participation in its activities. The TEC's second Corporate Plan explains the reasoning behind the decision to target companies in the 5-250 band:

By contrast to micro-businesses (below 5), there was an evident gap in the provision of services to these firms. The Cheshire County Council and Local Authorities provide information and advice concerning infrastructure, planning, markets, premises and access to some funding, as does Crewe Development Agency, but beyond these services there is only the DTI's Enterprise Initiative. There are 3,500 businesses in this size band in South and East Cheshire, and the DTI's Enterprise Initiative penetrates around 200(5%) per year.(ibid, p.3.17)

Any organisation, from the private or public sector, can become a member of the TEC (in 1992, £25 per year) and the Business Education Partnership (BEP) (free). In 1993, business membership numbered 1,400 companies which represents a penetration of some 8% of the business sector. TEC membership gives members the right to attend the Annual General Meeting, vote on certain policy issues and elect Board members. BEP membership came to 800 in 1993, a figure which includes all schools and colleges in the TEC area as well as some businesses. The TEC's 1993 Annual Report states that it aims to increase the number of business members by 25% percent in 1993/94. It should be noted, however, that TEC membership is obligatory for employers who wish to recruit young people to traineeships and careerships, thus creating a direct link between government-sponsored training schemes and a company's relationship with this so-called 'employer-led' body.

Managing public money

The TEC Board has been chaired since its development phase by the Chairman of a

national insurance company who, in 1988 was the driving force behind the creation of a LEN for this part of Cheshire, for which his company was the host organisation. The other TEC directors comprise (1994): the TEC's chief executive; seven senior executives from manufacturing industry; one from a building society; an industrial chaplain; the editor of a local newspaper; a representative of the Amalgamated Engineering and Electrical Trades Union; a representative from Crewe and District Borough Council and the Director of Education Services for Cheshire County Council. There are eleven men and three women. A particularly active member of the Board is a co-opted director who, though the deputy chief executive of his company, cannot have full Board director status because of his job title. This anomaly dates back to Fowler's intention that TEC Boards should only elect employers at chairman, chief executive or top operational manager level.

From the outset, the Director of Education was a TEC Board Director, allowing the LEA to play a major role in the formulation of TEC policy, including the TEC's successful bid to become one of the first to pilot Credits for 16 year olds. Out of the original directors from industry who joined the Board in 1989, one resigned in 1992 and two more in 1993. The Chief Executive was seconded from his Civil Service post at the then Training Agency in 1989 to work with the original Board members to develop the TEC and has remained in post ever since, becoming a full employee of the TEC in 1993 when he chose to leave the Civil Service. The TEC Board is served by four committees which take responsibility for formulating policy in the following areas: BEP ; Business Development; Adult Unemployed; Marketing. The BEP's committee consists of three TEC Directors, one of whom is from the private sector, who jointly chairs the committee with the Director of

Education. The TEC's chief executive and BEP manager also sit on the committee along with representatives from education, the county careers service and local businesses.

By 1993, the TEC had some 120 members of staff, a minority of whom were still under Civil Service conditions having worked for the previous ED Area Office. Staff come from a variety of backgrounds including industry and commerce, education, the Careers Service, marketing and the voluntary sector. The staff are based in several different sites including the TEC's headquarters in Middlewich, local administrative and business centres offices in Crewe, Congleton and Macclesfield, and in high street careers and training advice 'shops' called *Prospects* also based in the three main towns. In addition, the TEC has a subsidiary company, Meridien Projects Limited, based in Crewe. Meridien aims to "provide economic development consultancy services throughout Europe, and is committed to quality and innovation in economic and social research studies". (SECTEC, 1993, p.12)

The TEC's income from ED and DTI contracts has grown from £9.1 millions in 1991/92 to £16.4 millions in 1993/94. In 1992, the TEC launched a 'Reaching for Success' campaign to stimulate enterprise activity in its area. (see Appendix Eight for the campaign's programme) The campaign helped the TEC become one of seven in the UK to win funding for a DTI initiative to establish 'one-stop shops' which are now operating in Crewe, Congleton and Macclesfield under the name *Business Link*. To run this initiative, the TEC has had to enter a partnership with:

- * Borough of Congleton Chamber of Commerce
- * Congleton Borough Council
- * South Cheshire Opportunities for Private Enterprise
- * Crewe and Nantwich Chambers
- * Crewe and Nantwich Borough Council
- * Macclesfield Borough Council
- * Macclesfield Business Ventures
- * Macclesfield Chamber of Commerce and Industry
- * Cheshire County Council

The 'shops', or 'centres' as the TEC calls them, are intended to:

enhance and improve the quality of existing services, providing local businesses with a single delivery point for support requirements covering information, advice, training and specialist consultancy services. (ibid, p.3)

The establishment of the *Business Link* centres has given the TEC a significant presence in its three core towns and meant considerable investment in property and furnishings. Yet the distinction between the TEC's different functions and the labels it gives to them can create confusion in the minds of both the general public and the business and education communities. I have included here an entry from my research diary:

January 23rd 1994

I had a meeting today with the TEC's BEP manager at the Macclesfield office. The TEC has an advice and guidance 'shop' in the town and its

administrative offices for Macclesfield were originally in the building, 'over the shop'. I had been told that the offices have been moved to a new venue and given directions. After parking according to the instructions, I could not find the new offices as indicated so I asked a group of three women if they could direct me. One said: "Oh, you want that shop that used to sell curtains. It's now called Prospects - I know because my daughter had to go there to see a careers officer." I explained that the TEC had another set of offices. Another woman said: "So they're just like the town hall then are they - never satisfied, always wanting new buildings when what we want is better facilities." I then went into a well-known retailer of electrical equipment and asked the manager for directions. He said: "I think they've gone into a mews terrace - it's tricky to find so I'll show you. I don't know why they couldn't have stayed where they were....we were getting used to that. Did you say they've changed their name? Oh, you mean they've got three names now! I wish I had their money. We've got one of their trainees. I remember when it used to be the MSC and the bloke who looked after us used to pop in. I get a lot of bump from the TEC but it's all a bit beyond me. Anyway, if you go up these steps and through the archway you'll find it."

The rapid growth of the TEC in terms of its programmes, premises and categories of staff is proving to be a paradox. On the one hand, the TEC has diversified its operations and so heightened awareness of its existence across the range of potential stakeholders it wishes to reach. On the other hand, however, TEC staff

have spoken of their concern about the constant changes which leave little time or space for establishing continuity and stability. These concerns are discussed in more detail later in this chapter.

Breaking with the past

Soon after it began operating, South and East Cheshire TEC made its first major break with the operating structure it inherited from the old Area Office. The existing youth training infrastructure comprised dozens of Managing Agents, some of whom acted in an 'umbrella' capacity placing trainees with employers in a range of occupational sectors. As in other parts of the country, some Managing Agents were local outlets of national companies, for example retail chains, and took small numbers of trainees in the South and East Cheshire area. The TEC decided to rationalise the provision by making itself the main direct contractor with employers. (In 1992/93, the TEC held contracts for youth training with 550 employers.) To this end, the TEC bought out the two largest umbrella agencies in the area and re-contracted with a smaller number of the remaining agencies who were now to be called Franchise Providers. This meant that the TEC itself would act as a training provider running day-release courses in business administration and health and social care for youth and adult trainees, a practice which is still seen as somewhat controversial both locally and nationally. (It was noted in Chapter Four that over half the TECs in England were acting as direct training providers.) When TECs were first established, there was a tacit message put out by the then Training Agency that TECs would not act as direct training providers, a message repeated in the first *Draft Operating Manual* for TECs published in 1989. (see TEED, 1989) A small number of providers continued running their own off

-the-job training but the majority of trainees were enrolled on courses at the three local colleges of further education. The TEC contracts directly with the local colleges for this provision and so has ended the sub-contracting link between the private providers and the colleges. In addition, the TEC contracts directly with three further colleges and two higher education institutions which lie just outside its boundaries.

The adult training infrastructure was also overly complex and, much more so than in the case of youth training, was seen to be failing its clients, as the TEC's Corporate Plan indicated:

There were on the one hand, large numbers of long-term unemployed people being recruited to training but many will still end up in relatively low skill jobs. Yet the training taking place was not focussed enough on job finding, basic skills, motivation, confidence building etc. which would form the basis for individuals to progress. Rather, it was centred on the needs of a particular occupation, often in the context of an individual project or placement. This did not allow these long-term unemployed people to find work. At the same time, few could benefit from relatively high level occupational training which appeared in very limited supply within the programme. (SECTEC, 1991, p.3.43)

By Spring 1992, there were some 10,000 unemployed adults (over 18) in South and East Cheshire and the TEC reported that that number was rising due to the continued economic recession. Of those 10,000, approximately half were classified as short-term unemployed in that they were moving quickly from one job to another, whilst the other half were eligible for TEC programmes. Under the Government's adult training guarantee, all TECs and LECs should find a training placement for any unemployed person aged between 18 and 24. In 1992/93, the TEC provided five routes for unemployed adults:

1. Ready for Work - basic skills training and community work;
2. Block courses consisting of NVQ units;
3. An employer-based recruit and train programme;
4. Executive Links - workplacements for unemployed managers;
5. Enterprise Training - a five week course for individuals considering self-employment.

By making itself the main recruiting and placement agency for school leavers and for unemployed adults, South and East Cheshire was able to tightly control the piloting of individual training credits and has brought youth and adult provision together under the one banner *Prospects - An Entitlement to Training*. The choice of a local 'brand name' for this provision is part of the TEC's attempt to move away from the poor image of government-sponsored training schemes and will be discussed in more detail in Chapter Six.

Working with education: The Business-Education Partnership

From its earliest development phase, the TEC moved very swiftly, and with impressive diplomacy, to court, and some would say seduce, the education sector. One of the TEC's priorities during its development phase in 1989 was to consult with the education sector and the Cheshire Careers Service about the establishment of a BEP. Unlike the practice in some TECs, the South and East Cheshire BEP is one of the TEC's key departments.

So far, the relationship between the TEC and the education sector has been a

productive one on both sides. The education sector has received some direct funding, has been consulted about key TEC projects such as Credits and Careers Action Planning, and has found a new forum for sharing ideas, problems and expertise. From the TEC's point of view, its avowed mission and target ambitions cannot be achieved without the full collaboration of the education sector whom it also needs to support its bid to be seen as a respected and influential player in the community. The TEC is aware it needs to tread cautiously, bearing as it does and will do for some time, the stigma of government-sponsored infiltration. It is clear that some educational institutions and teachers saw, and still see, the TEC rather as a visiting cousin from the United States, one who is eager to be friends, has a wallet stuffed with dollars but whose enthusiasm can sometimes be regarded as slightly vulgar. Three entries in my research diary from 1992 illustrate this attitude. The entries record the comments of two headteachers and one college senior manager taken during interviews held with them at a BEP residential weekend:

Headteacher A

My feelings about the TEC? I'm slightly bothered by a sense of déjà-vu. We've been here before in some ways with the MSC programmes. But the TEC is at least local and does seem genuinely anxious to make funds available to us. The TEC staff have a lot to learn, though, about education and their innocence can be irritating at times. My staff are asking where all the money comes from for TEC staff to have cars and new offices. What do I say to them?

Headteacher B

Here we are in a very nice hotel, good food and wine, very friendly. I'll give my support, yes, but I have a feeling that the bubble could burst just as quickly as it appeared. My school goes on though, it's been there a long time and we've a big job to do. In one sense, we can't afford not to be here but I'll have to see whether the long-term payoff is worth the extra time.

College senior manager

Their (TEC staff) enthusiasm is sometimes overwhelming. There's quite a bit of cynicism among my staff certainly when they attend TEC seminars and see the resources they've got but then education has always had to have its begging bowl out hasn't it?

Before the TEC went fully operational, the then Director of Education for Cheshire played a key role in setting the TEC's pro-education agenda. Following his retirement in 1990, the new Director affirmed his commitment to maintaining the same close relationship between the LEA and the TEC. He also sits on the boards of Cheshire's two other TECs (NORMIDTEC and CEWTEC) and wrote about this relationship in *Education* in 1992:

In Cheshire we feel very positive about the three TECs which fall within the county boundaries. Each of them is at a different stage of development and has its distinctive character but the county council is well represented on their boards and on the associated education-business

partnerships. The TEC chairs and chief executives have also recognised the value of county-wide cooperation and meet leading councillors and senior officers regularly in the Cheshire LEA/TEC forum, to give coherence to programmes of strategic significance. A key development for each TEC is its education-business partnership. Cheshire has been a leading pioneer of education-business links for many years but the involvement of the TECs in formal partnerships is starting to unlock new potential and to draw in wider business interests. Admittedly, Cheshire's positive experience is not universal across the country but evidence of a similar maturation of TEC/LEA relationships can be found in *many other areas*. (Cracknell, 1992, p.318)

The BEP, which acts as a sub-committee of the main TEC Board, has two main aims:

- to help individuals to reach the highest possible level of achievement so as to realise their full potential and to provide the skilled workforce which businesses need;

- to create the framework of a smooth and effective transition from school to work.

(Source: SECTEC, 1992)

The BEP has a manager and five full-time staff, and its management committee is jointly chaired by the Director of Education and a TEC Board Director from the private sector. Employers who join the BEP are asked to commit themselves:

- to involve 16-18 year old recruits in structured quality vocational training leading to a TEC approved qualification;

- to support business/education links in the area;

- to recruit young people only to Careerships or Traineeships and not into jobs without training.

(See Appendix Nine for BEP Agreement)

Educational organisations who join the BEP commit themselves to:

- encourage young people to stay on in full-time or part-time education where this will lead to a higher level achievement and when they do leave to take up jobs with opportunities for training and progression;
- to provide full-time education Post-16 in accordance with individual action plans (drawn up by the young person with a Careers Officer);
- to support business/education links in the area.

(ibid)

In return, employers get access to TEC funding for Traineeships and Careerships, and they and educational institutions get access to the full range of TEC services including advice on NVQs, and European project funding.

The BEP co-ordinates the activities of three local education/industry groups and represents the TEC at meetings of a joint TEC/LEA forum which considers the strategic issues raised by having three TECs (South and East Cheshire, CEWTEC and Normid TEC) within one LEA boundary. In terms of South and East Cheshire, the BEP is either managing, co-ordinating or involved with a wide range of activities spanning all sectors of education. (see Appendix Ten for the BEP's diary dates for the first quarter of 1994) At primary and secondary school level, the TEC manages the placement of teachers into industry and commerce for short periods to enable them to gain experience outside the classroom. At secondary school level, the TEC manages the programme of work experience (mandatory two weeks) which involves all pupils in Years 10 and 11 and, jointly with Cheshire Careers Service,

manages the development and production of Careers Action Plans for all pupils in Year 11. In addition, members of the TEC's BEP staff regularly visit schools to give talks to staff and pupils on NVQs and developments in the Post-16 curriculum and, during the Autumn and Spring terms, to disseminate information about Training Credits. As part of the Training Credits project, all Year 12 (Lower 6th) pupils are invited to apply for individual Prospects awards, funded by the TEC, which can be used to pay for field trips, university taster courses, and other activities. One of the BEP's first initiatives was to encourage the development and improvement of careers education libraries by giving an average of £4,000 to each secondary school and college in South and East Cheshire.

At further education level, the TEC is closely involved with the work of its three local colleges - South Cheshire College (tertiary), Macclesfield College, and Cheshire College of Agriculture - through its control of the WRFE monies. As it also acts as the main contractor for youth off-the-job training, the TEC continues to have a significant influence on the content and delivery of the vocational curriculum, *insisting that colleges introduce NVQs wherever possible. TEC staff* are playing a major role in colleges' staff development programmes and the TEC provided funding to pay for consultants to help the colleges prepare for incorporation in 1993. At higher education level, the TEC is working with several institutions on a range of projects related to skill shortages at and beyond NVQ Level 4, the Management Charter Initiative (MCI), labour market assessment and European exchanges for executives.

It should be noted too that, at the time of writing, TECs were negotiating contracts with their local Careers Services, traditionally located within their LEA, for joint

management of the Careers Service function. The TEC had not penetrated nursery schools or pre-school playgroups though it does run nationally accredited training courses for nursery nurses and care assistants in its *own purpose-built training* centre. And, as part of the ED's *Out of School Childcare* scheme, the TEC has persuaded three national companies on its patch (ICI, Ciba Geigy and BP Nutrition) to match TEC funds for the provision of playschemes for children during school holidays. (see ED, 1993d)

The South and East Cheshire BEP was able to build on existing links between the education sectors and industry and commerce. It is clearly very active and the TEC's full-time staff who manage the BEP are enthusiastic, energetic and extremely hardworking. Having attended BEP meetings and residentials since 1990, I have observed that the BEP is very much led by the TEC and the education sector, whose representatives always far outnumber those from business. At the annual BEP Steering Group residential in October 1993, the delegate list was as follows:

TEC staff	- 6
College staff	- 2
School staff	- 4
LEA	- 3
Careers Service	- 3
Business	- 4

(BEP, 1993)

At the residential, delegates heard presentations on: TVEI developments; careers education in schools; and the work of the TEC's *Business Link* centres. One of the committee's working groups considered how the BEP might take the following action to:

- target companies in the area who have the potential to contribute positively to education;
- personally approach companies and 'sell' benefits of involvement;
- target companies to be involved with an 'Aim High' campaign for school pupils;
- define benefits to companies of BEP involvement. (ibid)

These action points are more or less identical to those drawn up at the first BEP residential in 1990 and indicate the true nature of the BEP's relationship with the business community. The relationship cannot be described as a 'partnership'. Certainly there is potential for partnership but, at the moment, ironically, the relationship is more akin to that which exists between a company supplying some kind of service and its potential customers. The 'partnership' element exists to some extent between the TEC and the education sector, though even there the contractual arrangements for YT with the colleges, and for activities such as work experience with the schools, mean that the TEC's seat at the table has extra padding.

Employer-led or initiative-led?

Given that TECs were introduced as an employer-led strategy, it is important to examine the way in which South and East Cheshire TEC has developed and ask

whether that development has been employer-led. Having observed the TEC from a number of vantage points since 1989, I would suggest that far from being employer-led, the TEC has been driven by a restless urge on the part of its senior management to expand its activities across a wide range of fronts, the result of which might benefit businesses in the area but which, most certainly, can be seen to have benefitted the TEC itself.

The organisation certainly exudes dynamism, as can be seen in the earlier discussion of the work of the BEP. My research diary records that I have visited the TEC on average about once every four months for four years, with more frequent visits during 1991 and 1992 to monitor the introduction of Credits. After each visit, I have recorded in my research diary a consistent entry which notes:

- that the TEC has just bid for funding for yet another ED (or latterly DTI) initiative;
- that staff are enthusiastic but pepper their conversation with references to 'tight deadlines', 'we've moved on again', 'oh, it's all focussed on x now';
- that the head office in Middlewich has been reorganised again - internal walls built or removed, fresh faces;
- that new premises have been acquired in Crewe, Congleton or Macclesfield.

In January 1994, I visited the TEC to interview members of the BEP team. One member, who has been with the TEC since 1990 said:

You'll find a difference here since you came last year. It's all about Modern Apprenticeships now, forget training credits. I'm trying to find the energy to get excited about

another change. All that work we put into making training credits successful and now we're going to be telling people that we've come up with another idea. It's no wonder people get fed up with us. (Research diary entry)

Another member said:

Business Link is taking over now. That's where the money is, apparently, and we, of course, are in the forefront - oh, yes. We'll be a chamber of commerce before long. The business advisors think it's great but we've still got to find these kids placements and the adults. Giving advice to business isn't going to solve the youth unemployment problem is it? (ibid)

Within four years, the TEC has been involved in an enormous number of projects, the vast majority of which relate to nationally determined objectives such as those outlined under the NDP arrangements or larger initiatives such as the introduction of Credits and 'one-stop shops'. The Corporate Plan for 1994-1997 notes that the TEC's activities require 22 funding lines on the TEC computer as follows:

1. Private funding (any consultancy work undertaken by the TEC)
2. Youth Training
3. WRFE
4. Other Education Initiatives (BEP activity)
5. Training for Work (formerly ET)
6. Employment Action (basic skills provision for adult unemployed)
7. Employer investment in people (Reaching for Success campaign)
8. Business Start Up
9. Local Initiative Fund
10. Investors in People (matched funding)
11. TEC's Management Fee from ED
12. TEC's surplus (from its annual budget)

13.Other ED initiatives

14.Skillchoice (the TEC's ED-funded Assessment and Guidance Credits Initiative, formerly Gateways to Learning)

15.European Social Fund (the TEC runs NOW, HORIZON, FORCE, EUROFORM and PETRA projects with partners in France, Germany and Greece)

16.DTI core funding

17.Employment Services Contract

18.Corporate Allocation

19.National Development Bids

20.One Stop Shops development funding

21.DTI other contracts

22.Learning for Work (education programmes for adult unemployed)

The TEC's plans for 1994-1997 show that it sees itself as still having a dual function: to support businesses; and encourage and assist individuals. These latest plans are, however, much more bullish in tone than the 1991 Corporate Plan as they constantly refer to the TEC as a 'leader' at local level and a key player on the national and international stage. For example, Objective 3 of the TEC's Mission Statement now states:

Establish the TEC as a respected and fully supported strategic service and partner organisation locally, regionally, nationally and internationally. - This covers our position as an R&D contractor, our reputation for innovation and delivery, financial control, ED "preferred supplier" and DTI Business Link accredited status. It also covers local accountability which we see as most important and our partnership with organisations in EC countries. (SECTEC, 1994, p.3)

Whilst Objective 5 states:

Lead and support start ups and very small businesses so that they succeed. - This mainly relates to support, but it is our intention now to also provide intensive leadership and support to a limited group of selected start ups for strategic purposes. (ibid)

The numbers of private and public sector organisations joining the TEC's membership list appears to be growing, albeit slowly, and the TEC's information services department received upwards of 4,000 enquiries from businesses in 1992. (SECTEC, 1993, p.3) As an organisation, the TEC has achieved BS5750 Part One, the British Standard covering quality of management and internal communication, and was the first TEC in the country to achieve *Investor in People* status.

Yet, despite having part of its area within one of the more economically buoyant and affluent parts of the UK, the TEC is severely constrained by economic reality. Its revised Corporate Plan for 1992-95 stresses the impact of the economic recession which affected the whole of the UK during the early 1990s:

Engineering, Motor Vehicle, Construction, Textiles, Clothing, Retail and certain Personal Services have been hardest hit. There is some evidence that exporters to Europe and some services and higher technology firms have done better. Many smaller firms have been hit by cash flow difficulties and our Advisers have often helped in representations to banks and financial institutions. Retail and service firms linked to housing have done particularly badly.....None of these changes affect our basic mission and objectives but our key response has been the development of "Reaching for Success" which is a means of focussing action on success in eight key business areas, in partnership with other local organisations; managing,

strategic planning, investing in people, innovation, marketing, exporting, quality and accessing finance. These are the key areas for firms to develop in order to grow and succeed. (SECTEC, 1992, pp.3-4)

All the hard work and frantic initiative-chasing has not enabled Crewe to retain its former position as a major manufacturing town and the figures for the TEC's youth and adult training programmes show that the number of positive outcomes achieved in 1992/93 varies considerably *across the range of training providers*. Despite the fact that the TEC notes that some trainees leave programmes having achieved a number of NVQ units, rather than a full qualification, the numbers of trainees who achieved full NVQs in 1992/93 is well below the national targets which all TECs are committed to reaching. (see Appendix Eleven for NVQ achievement table) The fact that large numbers of trainees have left programmes without achieving a full NVQ could be cited as evidence that many employers in the TEC area still maintain a short-term and narrowly focussed view of training.

The most important test of whether the TEC can be said to be employer-led should be to examine the role played by those employers who sit on the TEC Board. As was noted earlier in this chapter, South and East Cheshire TEC has managed to maintain stability in relation to its Board members and, of course, retains the same chairman and chief executive. The Board has continually praised the work of the chief executive and the minutes of Board meetings are peppered with references to his success in winning major government contracts for the TEC and to his ability for promoting the TEC at national level. At the end of 1993, however, the Board let it be known that members were becoming frustrated with their role. The following entry from my research diary (February 1994) records an interview with a Board member (from a large company in the financial services sector) who

has played a particularly active role in the BEP and other TEC working groups and who has been on the Board since the TEC began. (For the purposes of clarity, I will refer to this interviewee as Brown.) In the interview, Brown described to me the Board members' frustration:

We had a big discussion with him (the chief executive), a real 'heart-to-heart' to sort out the problem of him becoming too top-down in his treatment of the Board - the Board was getting all the information but felt it wasn't being given a role to really contribute and influence. Don't get me wrong, it wasn't that we were criticising him - his work is superb - but we wanted to have a bit more say. It's always very friendly, of course, and it's good that we can talk so freely. The same happened with the BEP. Members felt that it was TEC staff reporting all the time - lots of action but members wanted to contribute their ideas more, make suggestions. We know that the TEC know a lot more about what's going on than we do - goodness, there's a lot to learn - massive learning curve. I certainly can't keep up with all the changes in education and training.

I then asked Brown what role he felt a TEC Board should play and he answered:

It should contribute to strategy, question some of the ideas coming from the chief executive and TEC committees, and 'prod' when things aren't happening quickly enough. The term 'employer-led' is a misnomer really - employers are too busy to really lead in these matters but should be there to offer advice and ideas. I very much see the chief executive and his staff as the people driving the TEC forward like I and my staff do in this company. The SECTEC Board has offered stability and benefitted from having a very strong and knowledgeable chief executive who has created a good culture and brought in good staff. The Board can advise as to what the TEC should do with its surplus. (ibid)

In wanted to compare Brown's views with those of another Board member and so, within the same month, interviewed a production manager from a national manufacturing company which has a site in Cheshire employing some 2,000

people. Unlike the previous interviewee, this Board member has not been as active on the BEP but has regularly attended Board meetings and working parties and has also been with the TEC since it was founded. (For the purposes of simplicity, I will refer to this interviewee as Jones.)

Before conveying Jones's attitude to the TEC, it is important to note that the interview began with a different topic. Jones was particularly keen to discuss what he saw to be the "continued problem of people who do not have the basic skills which we employers need". In the summer of 1993, his company had advertised some 60 operative-level jobs in the local newspapers and received 1,500 applications, the majority of whom were in the 18-30 age group. In order to select a reasonable number of people for interview, the company decided to give the most promising applicants (300) tests in basic reading comprehension, written communication and numeracy on the grounds that the job they had applied for required them to read and follow simple instructions and complete labels for packaging. The test results showed that 42% failed in numeracy, 17% failed in written communication and 48% failed in reading comprehension. Jones felt that this demonstrated the "considerable work which needs to be done to improve education levels in this country". After the interview, Jones insisted that I met the company's personnel officer who had co-ordinated the recruitment and testing so that I could discuss the matter further.

Discussing the company's recruitment experiences with Jones took some twenty minutes. It is significant in that it reflects the continued concerns of employers about educational standards, a subject on which they are prepared to talk at some length. Indeed, these concerns were given widespread publicity in a 1993 BT

report on that company's future skills requirements. The report, based on interviews with BT recruitment personnel and line managers, concluded that "insufficient numbers of young people possess the skills and capabilities required". (BT, 1993, p.44) Yet, when interviewed, the personnel officer at Jones's company was eager to point out that the majority of people who failed the tests were closer to the older end of the age profile and that the small number of 16 year olds in the sample had all passed the tests. She also stressed that she realised formal tests were "uncomfortable for some people" and that the company had found 200 people whom they could interview.

Jones's views on the function of the TEC Board and chief executive were similar to Brown's in emphasising that the latter was there to run the organisation but he was even more dismissive of the notion that TECs were employer-led. He said:

TECs are government-led and have to have a national focus - targets and so on. We are in danger of being puppets of government because there isn't the will or the strength in industry to manage a national training strategy. We need a long-term strategy for training but the wealth-creating sector has been badly hit and so can't invest as it should, so government must help out. We've lost sight of the ball in manufacturing and the competition overseas is fierce. The problem with the government, though, is we've had all these changes in ministers. The TECs are a bit of a Cinderella activity at the moment - we need more continuity and support.

I asked Brown and Jones about the TEC's decision to be one of the first TECs to pilot training credits. They both stressed that the Board had fully supported the chief executive when he proposed the idea and that it suited the TEC's objective to encourage individuals to train. Both men were far less certain, however, about the impact Credits would have on employers. Brown said:

Good employers - the ones who train and invest in their staff - are going to wonder why they need yet another layer of bureaucracy, especially as we had slimmed down YT. I have to admit that the credit is really more for the young person to give them a bit of a lift - to say, there you are, you can buy good training. We'll have to see how it works out. I'm sure the TEC staff will make an excellent job of it.

Jones said:

The credit might make the smaller companies think harder about training but the bigger ones should know what courses they want to send their young people on. He (the TEC chief executive) explained it all to the Board and we thought it was something the TEC should try out. I'm not too sure about the details.

Jones revealed that when it came to his own company's needs and objectives, the TEC was not really involved. He illustrated this by explaining that his company had set up an education-liaison panel to promote science in local schools as the company was concerned about reports that young people were discouraged from studying science to 'A' Level. The company paid for a full-time member of staff to co-ordinate the panel's activities which were completely separate from the TEC's BEP.

Both Brown and Jones stressed that the TEC was just one of several 'community' associated groups with which they were involved including Rotary Club, Round Table, Parish Council, Chamber of Commerce and so on. Brown said he spent, on average, two and a half days a month on TEC business and Jones calculated that he spent between five and ten hours per week as he was closely connected with *Business Link*. Jones added, however, that he was reducing his TEC commitment

due to the pressure of work at the company. Brown went so far as to acknowledge that his involvement with the TEC had benefitted him personally. He said:

Although I have a very senior post in business, I would never have believed that I would one day be addressing conferences and chairing seminars. The TEC Board has enabled me to develop a new set of skills and given me a great deal of confidence.

Both Brown and Jones said that retired business people should be allowed to join TEC Boards as they would have more time to spare and could share their experience and expertise. And, both stressed the need for the TEC to continue its programmes for youth training and the adult unemployed. Brown said:

Some Board members get a bit argumentative about the unemployed measures we have to support but I think it is vital that we continue this work - it is very much needed in the community even in an area like South and East Cheshire where there is plenty of wealth and affluence.

He was wary, however, of claiming any real success for the TEC's government-sponsored programmes and seemed cautious too about the TEC's ability to help businesses:

The problem a TEC faces is proving where it has added value. I feel guilty sometimes that my own company gets funding for taking YT trainees - we would fund the trainees anyway. I suppose employers could be said to be contributing funding to TECs by paying YT allowances so it's happening indirectly and there are other interventions to get employers to spend money on training. The TEC needs to pinpoint those sectors where there is potential for growth and skill shortages. Apprenticeships should be used for 18 year olds as a fast track for training. TEC funding has been disappointing - we should be doing more for the unemployed. We have a responsibility for keeping that side of the work going otherwise there will be social problems. The TEC needs to be a facilitator helping

direct regeneration but it can't actually bring about economic growth - it can only influence. We need to reach the small and medium-sized businesses but it's very hard.

These interviews portray the views of two of the most active members of the TEC Board. Their views have not been contradicted by other Board members. The most striking feature of all the interviews I have conducted with the TEC Board is the apparent association in members' minds between their work for the TEC and their time spent on other voluntary activities. They appear to be willing to give up their small amounts of free time to a number of community-based groups, among which the TEC is neither more nor less important.

The TEC's future

In interviews since 1990, the TEC's chief executive has always stressed his desire to strike a balance between the TEC's function to serve the needs of individuals with its role as a catalyst for local economic regeneration. His 'inside knowledge' as a former civil servant has served the TEC very well when bidding for ED funding and he has shown himself to be a passionate advocate of the TEC movement at national level. Staff within the TEC speak very highly of him and welcome his open management style. This is illustrated by the fact that his office door is literally, as well as metaphorically, always open and everyone calls him by his first name. He is, however, regarded as being a 'workaholic' and expects his staff to work almost as hard. The following quotations come from interviews held with the chief executive in 1992 and 1993:

I am proud of our achievements with the education sector - the relationship is a strong one and we have improved the image of the TEC with schools and colleges. The employers are harder work. We've got to persuade them that they

can't go on recruiting young people to jobs without training. The Board's behind me on that. And the Board has always supported me in setting objectives which don't just reflect employer interests.

It's no use waiting for the government to give us more money. We have to work locally to create the right climate. *Business Link* is a big step forward. We can work more closely with our partners and give business a better service. We have to be very professional. This TEC has made an impact but it's going to take a long time.

The creation of *Business Link* is already causing the TEC to change. There is speculation that TECs may merge completely with Chambers of Commerce and that the term, TEC, will disappear. There is also debate about how many TECs there should be as some are thought to be too small for commercial viability. As this thesis was being concluded, the first major analysis of TECs was published. (see Bennett, et.al., 1994) It is very critical of TECs, notably for their failure to counter publicly funded 'deadweight' in training schemes and for disturbing well-established, business-led organisations in local communities. For the latter reason, the report recommends that TECs should merge with Chambers of Commerce.

This case study of a TEC demonstrates that the first four years of the TEC movement have been dominated by the scramble for funding outside of the core blocks and by constant effort to keep up with the dazzling array of initiatives spilling out of the various government departments who have a stake in TEC activity. That TECs have failed to transform the world of VET or to regenerate their local economies should not be a matter of surprise for academics, local people or policymakers. TECs have landed like paratroopers on ground which is continually shifting, with less ammunition than they were promised, and with little sign that their major

allies (the employers) will come to their rescue.

The next chapter discusses Credits, the most significant VET initiative to be introduced since YTS and, for TECs, the means by which they are expected to transform youth training. Employers are expected to play a significant role in the development and delivery of Credits despite the fact that, as this chapter has indicated, even TEC Board members see Credits as a concept which they do not fully understand.

Chapter Six

A Buyer's Market: Employers and Credits

Introduction

This chapter examines Credits, an initiative whose origins lie, as was noted in Chapter Two, in the 1985 Coopers & Lybrand report, *A Challenge To Complacency*. In 1994, the Conservative government brought forward, by one year to 1995, the date by which every 16 or 17 year old leaving full-time education in England, Wales and Scotland will be entitled to receive an individual credit to pay for part-time vocational education and training. First announced in March 1990 by the then Secretary of State for Employment, Michael Howard, Credits were to be initially piloted by ten TECs and one LEC. Whilst the original pilots were still being evaluated, however, the 1991 White Paper, *Education and Training for the 21st Century*, revealed that the scheme was to be extended to a further seven TECs and two LECs in 1993 and would have national coverage by 1996. Known colloquially as the pilot 'doomed to succeed', Credits represent yet another intervention by the Conservative Government to transform post-16 VET. Like previous initiatives, and most notably YTS, Credits have been launched as the latest answer to this country's youth training problems. Credits are of key interest to this thesis because they illustrate in a starker way than other initiatives the enormous gap in understanding between the civil servants who construct VET schemes and the employers who are expected to act as partners in the venture.

This chapter begins by examining the Government's approach to Credits and draws on the experience of the original pilots to highlight significant policy issues. It

then turns to the operational issues faced by South and East Cheshire TEC to show how Credits work at local level. The response of the stakeholders in Credits - school teachers, careers officers, employers, college staff and training providers - is explored in this chapter, along with the reactions of the young people themselves. In doing so, questions are raised in relation to VET funding, employer recruitment policies, the provision of careers education and guidance, and the extent of the TECs' influence and acceptance within their local communities.

The following comments from a sixteen year old school leaver, whom I interviewed in Crewe in May 1992, illustrate the reality behind the rhetoric of Credits which seek to 'empower' young people in the VET marketplace and motivate employers to offer school leavers only jobs with training:

I've been given this *Prospects* card to buy a course at college but first I've got to find an employer who will let me use the card. There aren't many jobs round here so I'll be lucky to find anything decent. What happens when I get to the interview and the employer says I've got the job but doesn't mention anything about going to college? The woman from the TEC said we were supposed to tell the employer that we had the right to go to college and this card would pay for the cost. What if he says he's not interested in any card and I can take the job or leave it? (Unwin, 1993)

Although all TECs and LECs operating Credits have to conform to ED guidelines, they have been given considerable freedom to design local models of delivery, a freedom which has continued for the second and third round pilots. This diversity of process and practice has led to a complex web of local funding arrangements and eligibility criteria. For the young person, now supposedly newly empowered to purchase the training of his or her choice, that empowerment and choice will differ significantly from one county to the next. Employers, too, will find that they are

wooded in different ways according to their TEC or LEC area, whilst the providers of training, whether they be private agencies or colleges of further education, will be paid at different rates and be expected to meet varying requirements for each Credits scheme with which they are involved. Such diversity poses problems in trying to evaluate Credits in the context of national policy objectives and in attempting to make meaningful comparisons between the different pilots. There is a danger that the detailed reality of Credits delivery could be hidden from the public scrutiny applied to, say, YTS which, though delivered locally, was prescribed by a nationally designed operating framework.

Origins of Credits

The concept of putting 'buying power' into the hands of individuals has been a prominent feature of Conservative governments since Margaret Thatcher was elected in 1979. To this end, the major public services in education, health and community care have been re-cast to mirror the commercial market in which consumers make choices, thus: parents are now supposedly choosing which school they want for their children and whether to allow it to remain in LEA control; doctors are choosing which hospital to send their patients to; school leavers can choose where to spend their training voucher. As Felstead (1993) has pointed out, however, it is only in the idealised market that the consumers are really in charge but adherence to the omnipotence of the market has ensured its status as the model for the implementation of a range of public policies. As was stressed in Chapter Two of this thesis, historically, individuals have been subjected to a market in both education and training and, as a consequence, many have suffered disadvantage and discrimination.

In 1989, the CBI called for the introduction of individual education and training Credits as a key step in what it termed the 'skills revolution'. Such a credit would pay for courses leading to NVQ Level 3 or 'A' Levels. The CBI stated that six benefits would result from creating "a training market where individual choice can be exercised".(CBI, 1989a) It is worth considering what the CBI was claiming for its Credits model before moving on to examine the Government's policy response:

- * It provides all young people with an entitlement and greater control over their own development, giving a clear signal of the importance society attaches to skills and the rewards which learning can bring.
- * It treats all young people equally, bridging the education and training divide and raising the status and profile of vocational education and training to young people. Consequently it would increase participation.
- * It forms the basis for a market for vocational education and training with the individuals as buyers and the providers competing to meet their needs. It would avoid the inadequacies of national manpower planning.
- * By providing an entitlement separate from wage or income support and by encouraging the employer to supply the latter it should be more relevant to most young people and employers at a time when demographic change is making traditional YTS less attractive. "A job or training" becomes "a job and training".
- * It would act as an incentive to employers because it is directly relevant to their normal employment needs and will draw in additional business investment.
- * Giving the credit to the individual would be a powerful influence on persistent non-training employers. Young people in short supply would simply go to other employers offering training. (ibid)

The CBI's context here is still that of the 1980s' expanding economy and a decline in the numbers of 16 and 17 year olds who, it was thought, could pick and choose relatively well-paid jobs but who were not necessarily motivated by the thought of training to ensure career enhancement. Lack of motivation on the part of young people to train coupled with their lack of preparedness for the workplace have been offered as key contributors to this country's skills crisis and qualifications record

since Callaghan's Great Debate speech in 1976. The rationale of YTS, TVEI and, latterly the Enterprise in Higher Education initiative has been the same, to develop personal and social skills and an understanding of the workplace to make young people more attractive to employers. Stronach and others have argued strongly against this shifting of blame from economic reality to the young people themselves and their teachers. (See Stronach, 1989) There is an extensive literature on the theory of motivation from which the authors of a ED report concluded:

Motivation is a complex combination of perceptions, aspirations and environmental interactions all of which affect behaviour. (Crowder and Pupynin, 1993)

Despite such complexities, the ED maintains that by giving young people purchasing power, they will be motivated to seek jobs with training. In addition, Credits are seen as the necessary catalyst for encouraging employers to create such jobs.

The Government responded within eight months to the CBI's suggestion and in March 1990 announced that it would set up eleven pilot credit schemes to operate from April 1991. The CBI's call for Credits to purchase post-16 education as well as training was, however, rejected, recalling the controversy surrounding the early Thatcher administration's enthusiasm for education vouchers. Credits were now to pay for vocational training to a minimum of NVQ Level 2, undertaken by young people who had left full-time education to be either directly employed or to join a YT programme. TECs and LECs were invited to bid for pilot status and out of the 32 which submitted, 17 were given development funding of up to £10,000 to prepare detailed bids. In August, 1990, the ED announced that the eleven successful pilots were: Birmingham, Bradford, Devon and Cornwall, Grampian, Hertfordshire, Kent, North East Wales, Northumberland, South and East Cheshire, SOLOTEC in South

London and Suffolk.

In its prospectus to TECs and LECs, the ED stated that the main purpose of training Credits "is to expand and improve the training of young people", and that Credits had the potential to:

- strengthen the motivation of the individual to train, and to higher standards
- help to establish an efficient market in training
- make training which is relevant to employers' needs an accepted part of normal working life (ED/TEED, 1990,p.4)

The prospectus went on to stress that:

It will be a requirement for all pilots that they increase participation in training; raise the level of skills attained; and generate more jobs with training for young people. They will also have to ensure appropriate arrangements for careers advice, working wherever appropriate through the Careers Service and careers teachers. Whether through the Credits arrangements or otherwise, all TECs running pilot schemes will have to ensure that, in their area, they meet the Government's Guarantee of a training place up to the age of 18 for all young people who have left full-time education and are unable to find a job. (ibid, p.8)

The prospectus acknowledged that TECs and LECs might also have their own additional objectives in operating a Credits pilot ".....such as raising general awareness of training for young people in their area, tackling key skill needs, or increasing training in small companies".(ibid,p.8) Despite the enormity of the task facing the first round pilots, they had about six months to develop their systems and procedures in order to be ready to issue Credits from April 1991.

Models of delivery

The basic concept of a training credit is a simple one, ideally suited to the type of flowchart which follows a young person through a series of optional journeys. Hence: school leaver finds employment, which could be on the basis of trainee status, and uses the credit to purchase a training course leading to a minimum NVQ Level 2 from a provider of their choice; the enhanced vocational guidance they received before leaving school coupled with their developed negotiation and decision-making skills will have enabled the young person to persuade their employer to release them for training; in return, the TEC/LEC or the training provider supplies the young person with regular statements showing how the credit is being spent, encouraging the providers to treat young people as valued customers; if the young person and/or their employer is unhappy with the service, they can transfer the credit to a different provider or use their purchasing power as a weapon to force providers to improve their service; the simultaneous expansion of a unit-based qualifications system is intended to facilitate the transfer of Credits between providers.

In reality, of course, such a flowchart has very little meaning. This is because the pilots have had to tackle several interrelated deficiencies in terms of VET provision when developing their own models of credit delivery. Indeed, by working in partnership with LEAs, colleges, schools and the Careers Service, Credits pilots have given a higher profile to the need for improvement across the VET infrastructure. Provision of vocational guidance has, for example, been considerably strengthened in pilot areas with credit funding being used to appoint

extra careers officers whose role involves preparing Individual Action Plans for all Year 11 pupils. As a consequence, careers officers have spent more time in schools helping careers teachers to promote the need for careers education, often the poorest relation when it comes to curriculum priorities. Teachers in South and East Cheshire reported that Credits had "put careers education on the curriculum map" and had made both them and their pupils address the concept of post-16 entitlement to training and further education in a fresh way. At the same time, teachers and careers officers were wary of the fact that Credits could become yet another short-term measure to boost youth training. They questioned how far employers were being encouraged to play their part in the initiative and were concerned that employers had, for some time, showed signs of 'initiative fatigue'. This concern was supported in 1993 by the CBI annual conference at which the chairman of Cadbury Schweppes said, with reference to education and training:

We are in danger of analysis paralysis and initiative fatigue. There has been much change in this area over the last six or seven years - nearly all of it for the better -but we need to direct our main efforts now to consolidation. (THES, 1993, p.4)

And the chairman of the British Railways Board added that: ".....progress towards a competitive workforce is under way, the building blocks are in place. Please, no more initiatives." (ibid)

Eight of the original pilots decided to make Credits available to all school leavers, including those with special needs, seeking work in any occupational sectors, whilst two pilots (Birmingham and Kent) restricted the scheme to certain sectors in which there were skill shortages. Grampian LEC placed no restriction on occupational sector but required any credit holder to be properly employed before

they could use the credit. First round evaluation showed that the selective model of delivery was prone to considerable difficulties. (see Coopers and Lybrand, 1992)

Two further ways in which pilots differ concern the age range within which a credit is valid and whether or not to include young people who live outside the TEC area but who enter that area for employment. Again, due to low take-up, some pilots have extended their eligibility criteria. Hertfordshire TEC, for example, has opened its scheme to 18 to 24 year olds employed in the county, whilst Kent includes 18-20 year olds who are in a job which previously did not offer them the chance to gain a qualification. All first-round pilots have made special provision to try and meet their YT guarantee of a training place for any unemployed school leaver. Such arrangements include allowing the credit to pay for full-time courses at further education colleges and for full-time training programmes with private providers who 'mind' the young people until they find places with employers. The numbers of young people using their Credits under these special arrangements could be considerable in areas where youth unemployment is rising. As such numbers are counted in with overall totals for the take-up of Credits, the true take-up figure, which should reflect the number of young people using their credit in employment, is distorted.

The packaging of the credit varies among the pilots with the majority opting for some sort of 'credit' card format. Four of the original pilots opted for a local brand name, e.g. South and East Cheshire - *Prospects*; NE Wales- *Career Link*; Grampian- *SkillSeekers* ; SOLOTEC- *Training Accounts* - in order to create a fresh image for Credits and one that was distinctly different from previous Government-led youth training schemes. In South and East Cheshire TEC, for example, early market research revealed that young people were very wary of any scheme using the term

'credit' as they associated this with potential debt. The TEC was also concerned about the poor image of YT in its area and decided to launch both Credits under the new title *Prospects*. The term YT has been replaced by Traineeship for placements with employers, and Careership for placements which have employed status. It is important to note here that despite the concern for nomenclature among TECs in both the first and second round of pilots, TEED civil servants continued until 1994 to try and make TECs adopt a nationally determined label for Credits. To this end, TEED commissioned a 'Credits Harmonisation Study' to gather evidence in favour of a more centralist approach to Credits along the lines of previous youth training schemes. The study revealed, however, that whilst TECs were happy to accept a common standard in terms of Credit entitlement and to ensure that mechanisms were in place to allow young people to transfer their Credit from one TEC area to another, they would not surrender their right to develop locally designed models and individual brand names. (Watts, Kramer, Unwin and Howells, 1993)

My evaluation findings from South and East Cheshire TEC's pilot subsequently bore out the TEC's concern for nomenclature for they showed that young people associate the term 'training' with low-skilled, manual jobs and see it as having of no relevance to anyone staying in full-time education after the age of sixteen. The following comments have been taken from questionnaires sent to Year 11 pupils attending schools in the South and East Cheshire TEC area in 1991 and 1992. (Unwin, 1992b) (The questionnaires were designed to gain young people's opinions on the concept of Credits and their reactions to the TEC's information about the initiative. The comments were made in response to a question which asked the pupils whether they thought the Credit would be useful to them in terms of pursuing their career.)

"It is good for people going into jobs who want training because in the future they can get better jobs but I don't think that it will be useful to me." (planning to go to college)

"I think it is a good idea for someone who wants training but it's not a good idea for students and people like me who go into college or university." (Police Officer)

"I am doing A Levels, I do not intend to do any training."

"I am going to college to do business studies and I'm not sure I'll need training for the sort of job I'm going to do."

"I'm not going into the sort of employment where training is necessary."
(Primary school and secondary school teachers)

"I am going into a job where training isn't important - where you have to learn from experience, not training." (Care)

"I am not going into a career that needs training." (Nursing, physiotherapy, radiographer)

"I'm not going into any training course - I intend to go to university."

"I don't want a job like *Prospects* wants people to get." (accountant)

"I am going to be a teacher of foreign languages - I will not need any training if I follow my chosen path."

"I think that *Prospects* is not particularly concerned about people like myself who wish to continue up through university and on to higher paid technical jobs."

"It is more concerned with vocational training. I intend to go into the 6th Form and then university and it will not particularly help me."

"I doubt if I want a job with training."

"It only affects people who do practical jobs."

"Of little use to intelligent students who intend to go into University."

It is ironic to speculate that the main achievement of some sixteen or so years of Government-led youth training schemes may have been to embed a negative view of 'training' in the minds of young people.

The problem with the term 'training' did not, however, affect the young people's attitude to the general concept. The vast majority of young people in South and East Cheshire, regardless of their post-16 destination, welcomed the idea of an individual credit for which they would be personally responsible. Those who had decided to stay in full-time education felt they should be able to use the credit just as much as those who were leaving to seek work. They may have distanced themselves from 'training' but they clearly wanted to have more control over their post-16 futures and saw their *Prospects* card as the key to this. Whilst Credits are only available for young people who leave full-time education at a time when the majority are choosing to stay at school or college, they will become tainted in the same way as previous youth training initiatives. South and East Cheshire, in an attempt to maintain the interest of young people who stayed in full-time education, have introduced individual *Prospects* awards. Young people on full-time courses are encouraged to apply for these to pay for field trips, university taster programmes, special projects for 'A' level and so on.

The way in which a young person acquires their credit varies across the pilots. In South and East Cheshire, the Careers Service is responsible for distributing *Prospects* cards and information packs to young people before they complete Year 11. This distribution forms part of an extensive marketing campaign in which TEC staff and Careers Officers give presentations, including the use of video, to pupils, teachers, parents and college staff. (see Appendix Twelve for publicity leaflet) Young people are also given a registration form which they are asked to complete once they have made a definite decision about their post-16 destination. If they are seeking work, they are asked to wait until they have found a job, be it Traineeship or Careership, before completing their form which they return to the TEC. On

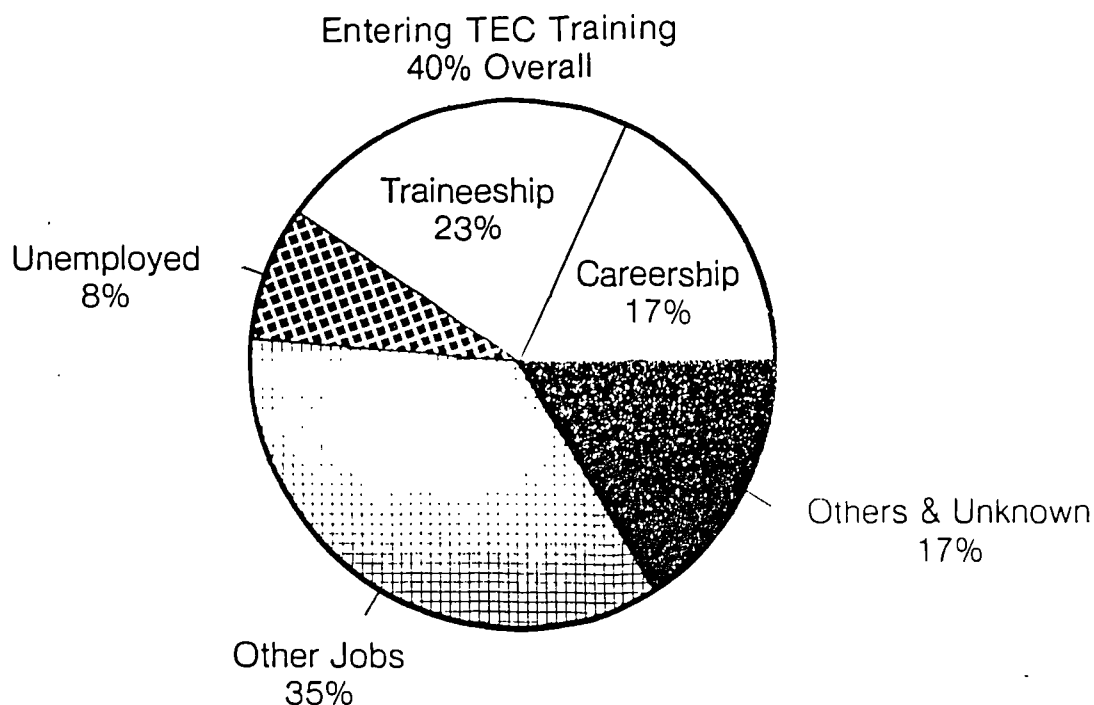
receipt of the form, the TEC sends the young person a cheque for £15 which can be spent in any way the young person chooses. (See Appendix Thirteen for *Prospects* flowchart) Given that there are just under 4,000 eligible school leavers in the TEC area, the decision to hand over £15 per person was criticised by many teachers who felt the money could have been used by schools. The TEC's registration system, however, is central to the operation of its Credits model for it provides the TEC with a means of tracking every eligible school leaver in South and East Cheshire recorded on its registration database. Cheshire Careers Service and the LEA have both praised the registration system for providing destination data more quickly than the existing Careers Service system. It has also provided, for the first time, the LEA with details of the type of courses young people are taking in colleges outside the LEA boundary.

Those young people who return cards showing they have taken jobs without training are visited by a TEC training advisor who attempts to persuade the employer to activate the credit by allowing the young person to attend a course offered by a college or a private provider. Similarly, young people who remain unemployed are sent details of vacancies and Traineeships. In the first year of its pilot, the registration system enabled the TEC to convert many jobs into Careerships and, therefore, to become one of the few TECs to reach its target for Credits take-up. The following pie charts (figures 1 and 2) show the rise in take-up of jobs with training during the first year of the Credits pilot:

SOUTH & EAST CHESHIRE TEC 1990/ 1991

LEAVERS AT 16

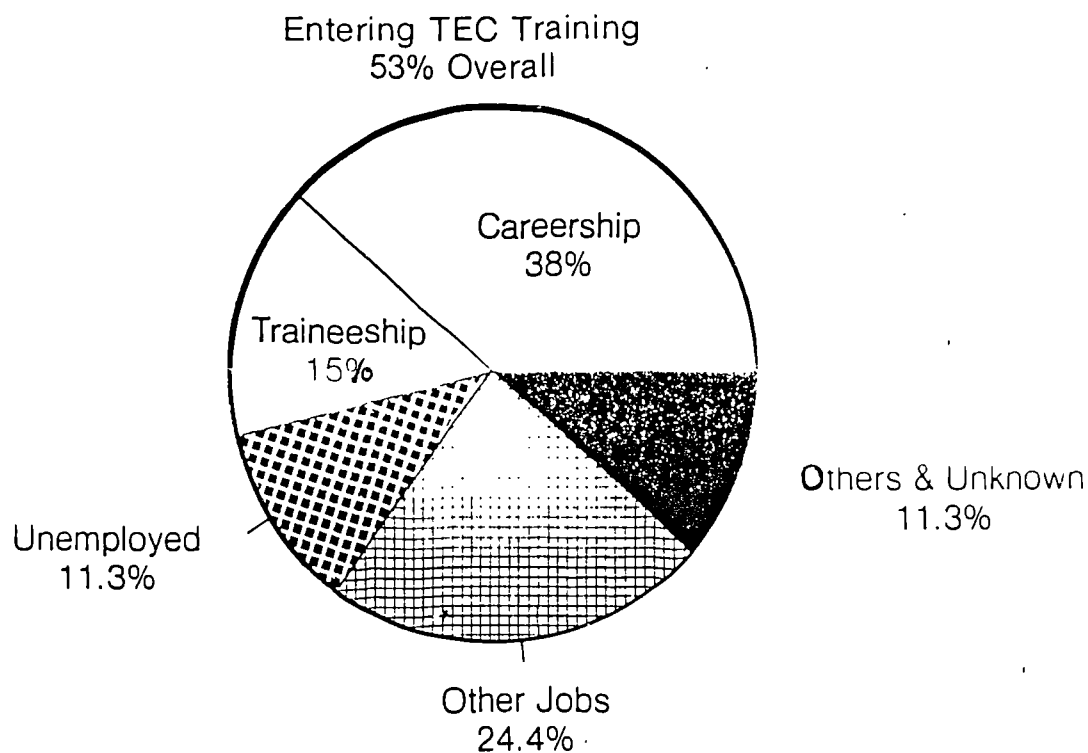
(Source - TEC data)



SOUTH & EAST CHESHIRE TEC 1991/ 1992

LEAVERS AT 16

(Source - TEC Prospects database)



Recycling resources to fund Credits

Credits funding comes from the following three sources:

- planned provision for YT in each TEC or LEC;
- a proportion of the Revenue Support Grant (RSG) allocation for part-time VET previously controlled by local education authorities and now given directly to TECs;
- money from existing Government expenditure plans (£12m in 1990/91) to be spent on enhanced careers guidance and to be used as top-up to deliver higher levels of training.

In addition, the first round pilots received £4.8 million of development money. The bulk of the available funding, therefore, was to be recycled from existing YT programmes.

Attempting to create effective and workable financial structures within which Credits can be delivered has meant that TEC/LEC managers, their local authority partners and, indeed, ED civil servants, have found themselves at the mercy of the arcane and obscurely complicated world of VET funding. A myriad of locally agreed pricing arrangements has developed over the years between colleges, private training providers and employers. The RSG funding was supposed to cover further education costs for all 16-18 year olds, apart from those on YT, thus in theory making it possible for any employer to send a young person for day-release classes for free. In practice, most employers have always paid towards that training, usually in the form of a locally agreed subsidy of around 70 pence per student hour

or through their association with an industrial training board. Colleges have been cushioned by the automatic annual payment of RSG monies and work-related further education funding, amounting to some 5% of a college's overall budget, direct from the ED. In addition, since the late 1970s, colleges have either run their own YT schemes or serviced others and received payment for this on the basis of a minimum number of students in any one group. This mixture of funding arrangements has meant that the true cost of supporting a student in the further education sector has never been decisively calculated and colleges have been able to transfer money from one pot to another in order to subsidise courses which fell below projected numbers or which required extra support.

The Credits concept challenges the group-based approach to costings and, importantly, presupposes that every course is clearly costed in order that an appropriate value can be assigned to each credit, taking into account, for example, that an engineering course costs far more than one in business administration. As such, assigning a meaningful value to the credit has proved to be impossible as true costs of training vary so much according to occupational area and chosen qualification. South and East Cheshire's *Prospects* card states it is worth a minimum of £750 whilst Northumberland's and SOLOTEC's cards have face values of £1500. Such values are misleading as they relate to training costs only and do not reflect items such as travel and equipment expenses and employer contributions to trainees' weekly allowances.

The RSG figures themselves have also caused problems for Credits pilots. The DES calculated the RSG from the annual Further Education Statistical Return (FESR) it received from the LEAs. This meant that TECs and LEAs based their Credits take-up

figures on DES statistics which would be two years out of date by the time the pilots began operating. Crucially, for the original pilots, those statistics reflected a pre-recession situation in which part-time numbers looked fairly healthy. As the recession started to bite, TECs and LEAs realised that colleges were likely to lose out on the RSG transfer as the part-time numbers fell. In order to protect colleges' income, some pilots developed special procedures for ensuring the RSG was paid back, procedures which look set to continue as part-time numbers fail to reach their pre-recession levels. The most notable procedure has been to allow colleges to receive Credits as payment for new full-time courses supposedly set up specially for unemployed school leavers. Private training providers have, quite naturally, been complaining that such procedures are a direct contradiction of the Credits' objective to create a customer-led training market and that they simply maintain the further education status quo.

VET Providers and Credits

Once they gained their independent status in 1993, colleges began to reappraise their participation in government-led initiatives. Some have never been happy servicing youth training schemes and may decide that they prefer to recruit students from the cosier and more profitable markets of adult business studies courses; full-time 16-18 'A' Level programmes and franchising arrangements to deliver degree courses in conjunction with local higher education institutions. Some, however, may find they are under political pressure to join Credits pilots as TEC board members may also be college governors and/or influential local employers.

Involvement with a Credits pilot should, in theory, make many demands on colleges. It presumes, for example, that they are able to identify the exact source of funding for every student they enrol. In a typical college with *several thousand students on the books* and classes containing students funded by a variety of sources, such identification can take several months after initial enrolment. Many young people, for example, arrive at college unsure as to whether they are on YT or directly employed. Under Credits, young people should be arriving at college with an action plan ready to negotiate entry to an appropriate course and have access to tutors and student support staff who fully understand and appreciate that they are now dealing with a customer. In the first round pilots, young people found their purchasing power to be illusory. Their credit card was simply regarded as yet another form of funding to be noted on the appropriate form. The following comments, which I recorded in interviews with young people in South and East Cheshire who left school in the summer of 1992, are pertinent:

"I keep my card in my pocket in case anyone wants to see it and in case I can use it but so far it's stayed in its plastic wallet. I still think it's a good idea but I'm not sure the college knows what to do with it."

"All the college did when we enrolled was use the card to get our number. I thought we'd use the card once a week and have to plan how we spent the money."

(Unwin, 1992b)

To the same extent, Credits have offered little incentive to the private training provider to become more customer-orientated. Private providers are vital when it comes to meeting the YT guarantee as they can house young people until placements are found with employers. Payment of the output related funding (ORF), a requirement of all ED contracts and which can be as much as 25% of the credit

value also varies according to how much is paid to the young people on achievement of their NVQ and how much to their employer or training provider. A major anomaly in terms of the ORF is that it does not categorise the gaining of a job as a positive outcome so that those agencies which place young people as trainees with employers are not penalised financially if they do not make efforts to convert traineeships into real jobs.

The individual and Credits

An employer in the 25-50 size band, whom I interviewed by telephone in October 1992, encapsulated the burden placed on the credit carrying young person:

School leavers need to present themselves to employers properly and be prepared to explain that they now come with a package of benefits - Prospects, Action Plan, Record of Achievement and so on. We employers need school leavers to help us understand these new initiatives.

The lack of coherence and co-ordination concerning a range of school-based initiatives adds to the confusion young people feel about processes and products which are, in theory, supposed to be for their benefit. In many schools, careers education, which often does not begin until Year 10, has to be squeezed into an already small timetable slot for personal and social education. (see Unwin, forthcoming 1995) At the same time as they are preparing for their GCSEs, pupils are taking time out for work experience, to complete progress charts for their record of achievement, and to attend guidance interviews with careers officers and make an Action Plan. In schools where there are still Sixth Forms, pupils may be coming under increasing pressure to stay on regardless of whether they are traditional 'A' Level candidates as schools compete for the declining pool of 16 year

olds.(see Fergusson and Unwin, 1993) The number of schools offering BTEC First Certificate and the willingness of others to pilot GNVQs as alternatives to 'A' Levels is testimony to their need to increase their post-16 numbers. At the same time, in areas where a tertiary system operates, schools may work with colleges to increase staying-on rates as this reflects back on the schools who are now themselves in the marketplace for pupils.

Credits sit awkwardly alongside the Government's drive to increase staying-on rates for they are the mechanism via which young people who do not want to pursue an academic route post-16 can combine workplace learning and vocational education. This mixture was, of course, the basis of apprenticeships and was continued in the better youth training schemes. As was noted in Chapter Two, the mixed-model of post-16 VET has, however, been severely damaged by the poor performance of many youth training schemes which failed to convert placements into real jobs or to provide young people with nationally recognised qualifications. The following vignettes from South and East Cheshire illustrate how appropriate the mixed-model can be when enlightend employers offer work-based training and access to meaningful qualifications. Interviews with the two young people were recorded in November 1992:

IAN

Ian was persuaded to stay at school by his parents and teachers even though the school did not offer information technology, his main interest, in the 6th Form. He began two 'A' Level courses - Geography and French - and was trying to improve his GCSE grades in Science and Human Biology. After six months, Ian decided academic study was not for him and, using his Training Credit (*Prospects*), took up a Traineeship with a local building society. He is now attending his local further education college one day a week studying for his BTEC National in Computing Technology. He said: "I'd kept the *Prospects* card in my wallet all the time I was in the 6th Form. I knew all along school wasn't right for me but my parents wanted me to get a good qualification. The card made me realise I had a say in my future and

I'm now getting what I wanted in the first place."

SUSAN

Susan has always wanted to be a primary school teacher but by the middle of Year 11 felt that she had had enough of school. During her guidance interview, she discussed with her Careers Officer the possibility of leaving school to start work in a company which would allow her to study for qualifications which give her access to higher education at a later stage. In her school's eyes, Susan was an automatic 'A' Level candidate and teachers were, naturally, concerned that she might never make the switch from employment to higher education. An offer of a Careership with a large manufacturing company persuaded Susan to leave school and she is now combining work in the marketing department with study for a BTEC National Diploma in Business and Finance. She is also taking French 'A' Level at her local college in the evening. Susan said: "I still want to teach eventually but working has made me more confident and I love the atmosphere. The *Prospects* card was like a passport to a different future for me."

In the light of current levels of youth unemployment, Ian and Susan are doubly privileged, first in that they found employment and, second, in that they were academically gifted enough to have succeeded in full-time education. Both, however, challenge the growing consensus that full-time education should be the norm post-16. The next vignette suggests that the reality of staying-on for many young people may not be as education-centred as the supporters of increased post-16 participation would want to believe:

GARY

Gary enjoyed school but his predicted GCSE grades were very low. During his two week work experience in Year 10, Gary discovered an interest in catering and decided he would like to work in hotels. Gary's school does not have a 6th Form so pupils transfer to the local tertiary college. When it came to deciding which route to take, Gary found that most of his closest friends were going to college to do general courses which did not require GCSE passes. He was offered the chance of a Traineeship with a local restaurant but decided to follow his friends to college where he is taking a food-related Diploma in Vocational Education. Gary said: "The Traineeship was only going to pay me £29 a week but I can get £20 working three nights in the fish and chip shop where I live. All my mates were going to college and I wanted to stay with them. My dad said it was better to stay-on."

For young people like Gary, full-time education is replacing a locally available

youth training scheme as the new post-16 rite of passage. These vignettes and the negative connotations of the word 'training' for many young people provide further evidence of the complexities which lie behind the concept of individual motivation, as referred to earlier in the chapter.

Employers and Credits

Evidence from both the first and second round pilots shows that Credits have had little impact on the attitudes of employers towards training. It has already been noted that Credits were launched during a severe economic recession when many employers, including the largest, had frozen recruitment of young people. There is evidence to suggest that where employers have understood the rationale of Credits, they have welcomed the initiative, particularly with regard to its insistence on young people achieving qualifications. There are two major problems, however, related to the link between Credits and NVQs, the qualifications to which the Government and TECs are committed. Firstly, understanding and awareness of NVQs is very limited among employers of all sizes and in all sectors. (see Callender, 1992 and 1994) Secondly, when employers do have experience of NVQs they often criticise their applicability to local labour market need and the slowness with which they are being introduced. In addition, employers still harbour deep-seated prejudices about the basic and social skill abilities of school leavers.

In South and East Cheshire, which has a fairly strong labour market even in recession, employers who wish to participate in Credits have to become members of both the TEC and its Business Education Partnership which manages the Credits pilot. Young people are recruited on to Traineeships or Careerships under TEC

contract but paid a wage directly by the employer. Only employers who take young people with special needs are given extra support towards the trainee's weekly allowance. SOLOTEC, on the other hand, have had to reintroduce a system of paying the weekly allowance to encourage employers to recruit young people during the recession. In Kent, small employers (less than 25 employees) now receive a supplement of £100 a quarter per employed trainee. It is highly likely that some of the 1993 pilots, for example Merseyside, will also have to offer a substantial allowance to employers and create their own work placements. *Credits* funding simply becomes YT funding under a new name.

All first round pilots reported that they would have to put far more time and resources into marketing Credits to employers than had been envisaged and that special funding arrangements would definitely continue for the foreseeable future as there were no signs of an improvement in their local economies. Ironically, however, at their annual national conference in July 1992, TECs were told by Gillian Shepherd, *Employment Secretary*, that *public spending on youth training* was unlikely to rise and could be cut. (Shepherd, 1992) This news came despite the fact that TECs had been telling Government for some time that, due to funding cuts, they were finding it increasingly difficult to meet their youth training guarantee of a place for every 16 to 18 year old who could not find employment. The TECs' problems were supported by a report from the leading youth charities which showed that nationally there were too few places available in 1992 to enable TECs to deliver the youth training guarantee. (Youthaid, 1992) A further problem for medium and large sized employers who deal with more than one TEC or LEC is that they are faced with varying administrative procedures which means employing someone specially to deal with the paperwork. And yet, these are the very

employers who form the majority of members on TEC Boards.

Employer Attitudes: Empirical Study

As was seen earlier in this chapter, some evidence of employer attitudes to Credits can be gained through interviews with those school leavers who have secured employment or 'traineeships'. My role as evaluator of a Credits pilot enabled me to gain access to employers listed on the South and East Cheshire TEC database in order to collect further evidence directly from the employers themselves. The findings go beyond the issue of Credits for they capture the ways in which a range of employers perceive the concept of a TEC itself. The employers are identified by size band (number of employees) and, in some cases, by occupational sector, in order to respect their desire for anonymity.

The survey of employers has three elements:

1. **An initial survey (telephone and face-to-face interviews) of 40 employers in July 1991** who had all recruited young people from the first cohort of school leavers to receive a training credit.
2. **A postal questionnaire survey, in November 1991, of 700 employers** listed as members of the TEC. This amounted to 50% of the total TEC business membership. A total of 266 (38%) questionnaires were returned completed by the cut-off date with a further 25 being returned afterwards, giving a final response rate of 42%. The data on the late responses has not been included in the quantitative analysis below but was checked for any evidence which may have

affected the qualitative analysis. The responses, however, followed the same pattern as the main body of questionnaires. Given that the questionnaires were posted to an extremely diverse population of employers, the response rate appears to be reasonable and in line with Cohen and Manion's view that "a well-planned postal survey should obtain at least a 40 percent response rate".(Cohen and Manion, 1984, p.111) Furthermore, half of the employers who responded said they would be willing to be interviewed by telephone.

3. In February 1992, telephone interviews were conducted with 20 employers who returned completed questionnaires.

Initial Survey: 40 employers

In late July 1991, almost four months after the TEC had launched its Credits pilot, I conducted telephone interviews with 35 employers in the 0-50 employee category who were known to have recruited school leavers. (Interviews in all cases were conducted with the managing director or equivalent) Face-to-face interviews were also held with three employers who employ between 50-100 people and with two employers who employ over 500 people. (In these cases, interviews were held with a nominated person in charge of personnel and/or training for the company) The employers were identified from the TEC database. They were all asked three questions:

1. What is your view of the *Prospects* or Training Credits initiative launched by

South and East Cheshire TEC for school leavers?

2. Has the initiative influenced your decision to recruit a school leaver?

3. What are your impressions of the TEC in general?

This survey showed a marked difference of attitude according to the size of employer. Of the employers in the 0-50 employee category, 12 (34%) said *Prospects* had positively affected their decision to recruit a school leaver, for either the first time or after a gap of up to five years, as it provided for off-the-job training leading to a recognised qualification. When it was suggested to the employers that YT had also been intended to reach such outcomes, they maintained their view that *Prospects* was different. On further analysis of the comments, it appears that the key figures in terms of influence for all the employers were the TEC's training advisors who had visited the employers and explained the system behind *Prospects*. Five employers said that the advisor had made them feel more comfortable about taking part in the initiative. The fact that the *Prospects* card showed a monetary value was also cited as an important factor. The following two comments reflect the views of six employers in the survey:

When I saw the £750 I thought about the cost of training - it made me sit up and think.

We can't spend much on training here so the fact that that card gives a young person enough to complete a course is good.

For these employers, Credits offers a new approach to youth training, or, at least, they have taken at face value the words of a TEC training advisor. Ironically, their faith in the 'new' scheme can be contrasted with the views of three other employers who were very critical of their early experience of Credits. Two of

these employers had been involved for many years with various YT-type programmes and felt that Credits had not proved to be any better. One said: "It's just the same, daft paperwork and interference." The third employer, who had recruited a school leaver for the first time, complained that the TEC had not spent enough time with him and that he felt 'abandoned'.

The remaining 23 employees in this category said they had intended recruiting school leavers regardless of Credits. When asked if those young people were on Traineeships or Careerships, six employers were unsure and three were waiting to discuss possible contracts with the TEC. The issue of uncertainty as to the young person's contract status, which is raised again in the postal survey, is clear evidence of the passive role which many employers play in VET initiatives, a role which is very different to the 'partnership' model outlined in government and CBI literature. In relation to Credits, those employers who were uncertain about the status of their young recruits appear to have simply agreed to participate in a programme about which they understand very little other than one basic feature - it provides them with a school leaver whose training will be paid for and arranged by the TEC. Apart from the implications of this relationship for the success of 'employer-led' VET, there is likely to be a knock-on effect in terms of the young people's own knowledge and understanding of the benefits of the training credit and, ultimately, their ability to effectively exercise individual choice.

Among the larger employers, attitudes to Credits were generally less positive and, in some cases, decidedly cynical. The main points raised took the form of questions:

- apart from a fresh marketing campaign, how was Credits different to YT?
- would Credits do anything to raise the general basic skills of school leavers?
- was the TEC or the government going to introduce a credit which could be used to buy training for the existing adult workforce for whom retraining and upskilling was needed?

The personnel manager of one of the two companies employing over 500 people was concerned about how Credits, which she saw as being part of a *national training* initiative, could be developed in ways which reflected the needs of the local labour market and economy. She said her company, based in the financial services sector, felt it was essential for the TEC to *retain enough flexibility to respond to* the often very individual needs of companies whatever their size and type of business. It should be noted that this view was repeated even more strongly in the third employer survey and perhaps reflects the way companies of all sizes continued to be affected by the economic recession.

The training manager of the second company, employing over 500 people and based in manufacturing, was very cautious about Credits which he felt might be a gimmick and fail to make improvements in YT in general. His company runs a four year craft apprenticeship, funded under YT, to which an average of twenty school leavers are recruited. On a completely separate basis, the company also recruits graduates and school leavers with 'A' levels to a variety of posts. He said the company regarded these recruits as having the potential to fill professional and highly skilled jobs for which academic attainment was crucial. To this end, the company had a strict hierarchical recruitment code which selected young people according to the educational institution they had attended:

Oxford and Cambridge

Durham, Bristol, Manchester

Other 'redbrick' universities

Newer universities such as Warwick, East Anglia and Sussex

'First order' old polytechnics

'second order' old polytechnics

Colleges of higher education

Schools (the company has a ranking for public schools and local schools)

Sixth form colleges (ranked regionally)

Some selected colleges of further education, including one in the locality

The interviewee said he realised that this recruitment table was "based on rather snobbish attitudes" but that it "worked for this company - we need to be sure we're getting the best people". He added that "a good education really matters to us" and that he saw NVQs as being very much qualifications for the operative end of the company's workforce.

This adherence to the notion of a "good education" and the categorisation of institutions illustrates the deep conservatism with which some companies still approach recruitment. This was further supported by a national survey of personnel departments in 1993 after it was reported in the press that higher education, backed by the CBI, was planning to end the policy of degree classification. Nearly all the employers in the survey said they used classified degrees or predictions of results as pre-selection criteria. A spokesman for oil company Mobil's recruitment office said he was astonished: "We believe the current system

is reliable and we are tired of change for change's sake." (THES, 1993b)

The majority of companies employing less than 50 people shared a similar attitude to the larger companies when asked for their opinions of the TEC in general. Apart from four companies who said they were still prepared to give the TEC time to prove itself, the majority felt that the TEC was there to administer government-sponsored training programmes in the same way as the old Area Office.

Postal Questionnaire: 266 replies (see Appendix Fourteen)

Company size (no. of employees)	Responses
0-5	84
5-10	45
10-25	52
25-50	27
50-100	28
100-250	16
250-500	4
500+	10
Total	266

Table 1 shows the estimated number of school leavers which companies said they normally recruited in any one year. (Where approximate numbers were given, e.g. 10-15, the average was taken.) Table 2 shows the actual number of leavers recruited in 1991. These figures reveal a reduction in the average intake of school leavers by 25%. Four sectors recruited fewer school leavers in 1991 : 25-50; 100-250; 250 - 500 and 500+ employees. Sims and Stoney (1993) in their second year evaluation of four Credits pilots found that 80% of employers recruited fewer young people under the age of eighteen in 1992 compared with 1991. (Sims and Stoney, 1993, p.65)

Table 1

Company size	Recruits
0-5	19
5-10	11
10-25	24
25-50	16
50-100	35
100-250	17
250-500	5
500+	200
Total	327

Table 2

0-5	23
5-10	15
10-25	26
25-50	14
50-100	37
100-250	12
250-500	0
500+	118
Total	244

The reasons given for not employing or for stopping employing school leavers were:

Reasons	No. employers
1. the job needs skilled people -	30
2. no vacancies -	26
3. recession -	19
4. company too small	18
5. young people lack skills	7
6. seasonal or contract work -	6

The dominance of the skills factor in these responses is in line with other research related to employer recruitment patterns conducted in the same period. (see Thompson, Atkinson and Simkin, 1993) In addition, there was only a small amount of evidence to suggest that some employers had been influenced by Credits in their decisions to recruit young people. Figures showed that 10 (3.7%) said Credits had definitely affected their decision to recruit, a further 13 (4.8%) said Credits had made them more inclined to recruit, and 8 (3%) said it may do so in the future. Employers across the occupational sectors are shifting from a traditional recruitment pattern in which large numbers of young people were taken into an internal labour market which then selected those who showed the potential for a long-term career with a company. In the early 1990s, the emerging pattern appears to show employers seeking out more mature people who already have the skills so that they can match people to specific jobs much more closely than was ever the case with the recruitment of school leavers.

These findings suggest a fundamental flaw in the original design of the Credits initiative, and to potential pitfalls for the 'Modern Apprenticeship' scheme announced in 1994. Both Credits and apprenticeships have been and are being promoted as initiatives aimed primarily at 16-18 year olds, yet employers in companies where there is at least some tradition for skills training are turning towards a more mature labour pool.

Almost half the companies surveyed (49%) had heard of Credits, of whom the vast majority knew the local brand name *Prospects*. Less than half of the employers (40%), however, stated that the young people they recruited carried a Training

Credit or Prospects card. This figure is problematic as many of the employers who did not respond to this question went on to respond to another question which asked about the status of the recruited school leaver. Hence, some employers have indicated their school leaver is on a Traineeship or Careership but does not carry a *Prospects* card. This reflects the confusion among employers in the telephone survey reported earlier.

The majority of employers surveyed (73%) did not respond when asked to state the benefits of Credits. Those who did indicated, significantly, that they understood the benefits to young people more than the benefits to themselves as employers or employers in general. Employers in the 50-100 size band were able to articulate the benefits of Credits more thoroughly than those in the other size bands and, on the whole, they demonstrated a very positive attitude to the initiative. The following responses reflect the different ways in which employers regard the benefits of Credits:

Benefits to you as an employer-

Financial assistance with training means we can continue to meet our skill needs.

A structured training and development record system with evidence of past training.

Improves employee performance through meaningful training.

Benefits to the young person-

A feeling of independence and control.

To be able to shop around and get the best training and suitable job. Enables them to have control over their own career development/working life.

A method of funding which cannot be diverted into other uses and motivates companies to train young people to a national qualification.

Benefits to employers in general-

The more career minded and motivated youngster will be looking for employers who are aware of training Credits - although the shortage of school leavers is not a problem at the moment, it will be again in the future so companies who want good calibre recruits must take advantage of this scheme to offer as much training as possible rather than as little as necessary.

Better trained staff in the long-term.

The poor response to the question of how Credits can benefit an employer can be partly explained by the fact that the vast majority of employers said they did not fully understand the way in which Credits were supposed to operate. Lack of understanding appeared to be significantly low in the 5-10 size band although even among the largest employers, there was widespread confusion. Typical comments included:

Why has the whole picture not been communicated properly?

We are not fully familiar with the system. By whom and how is the value of the card established in relation to the training being delivered?

One of the hardest problems besetting the ED and its various training quangos over the years has been the issue of so-called 'deadweight', where state funds are used by employers to pay the wages of employees whom they actually need to perform real work as opposed to merely training-related activities. This survey provides evidence that the problem is still with us as a number of employers raised this point in their questionnaires. Two employers, in the 500+ and 100-250 size bands, stated that they would prefer a financial contribution over and above the costs of off-the-job training from the TEC towards recruiting school leavers. A building company in the 50-100 size band made the following comment:

It is not possible to create a satisfactory training base in the construction industry where any other than very large contracts are concerned. We cannot afford to spend time and money showing new people how to carry out our craft and trade when they so regularly set up in competition against us. For companies such as ours to carry out a sensible and formal training programme the above problem will have to be solved.

A small minority of young people, 240, produced cards at the time of application for work and of those, 200 had approached the same company which employed 500+. This reflects the fact that young people are unsure or lack the confidence to discuss their credit at interview coupled with the lack of knowledge on the employers' side which means that young people are not asked if they are credit holders. Some employers said they were beginning to understand more about Credits now that their school leaver had shown them the pack of information given out at school.

Indications are that young people wait until after they are employed or have secured a traineeship before discussing their credit with employers. The

overwhelming majority of employers thought that young people lacked understanding about Credits and how to use the card. One employer in the 500+ size band stressed the need for the TEC to encourage schools to practice interviewing techniques and build the confidence of young people.

When asked to state which courses, including NVQ title and level, their young people were following, a variety of responses were given but less than 10 gave NVQ details. Several employers, notably in size bands from 5-10 upwards, recorded problems with NVQs. In the 5-10 size band, six employers were concerned about the link between *Prospects* and NVQs as the emphasis on the latter, which are still only accredited for certain occupational sectors, means that it is often difficult to find suitable off-the-job training for their young employees. One manufacturer of garden sheds commented:

We have tried to become involved in these developments but have found the TEC incapable of sorting out traineeships for jobs which do not have a specific NVQ.

In the 100-250 size band, an employer commented:

We run 60 internal technical courses, none of which qualify! While NVQ entry has to be met this will mean recruitment difficulties.

Some employers noted that the NVQ issue was also problematic because of college provision. An employer in the 250-500 size band said the TEC should do more to get colleges to respond in a flexible way particularly in terms of lengthening the academic year. He said that he and other employers felt that the colleges had "got off too lightly" by being able "to do the same old thing and make us dance to their

tune." He added that unless colleges really got to grips with NVQs and links with the workplace then young people and employers were not really able to exercise real choice.

Just over one third of the employers surveyed had recruited school leavers under YTS and YT arrangements. When asked if they preferred *Prospects* to previous training schemes, the figures were as follows -

42 - YES. (of these, 23 had experience of YTS/YT) 18 - NO. (of these, all had experience of YTS/YT) 206 - No Comment. (of these, 51 had experience of YTS/YT)

Those who stated *Prospects* was better than previous schemes appeared in all size bands and comments included:

The onus is on the trainee to choose and pay for their selected course rather than depending on employers/training agents to select and pay for them.

Prospects is better because it ensures that school leavers will receive a job with training, it cannot be used as a source of cheap labour. It gives trainees access to funding and ensures commitment on both sides.

Yes, as it draws the young person's attention to good training with formal qualifications.

Some employers did offer the following notes of caution:

Better so long as it has strict criteria and is meaningfully and comprehensively monitored.

Probably better, but danger that *Prospects* is too flexible allowing companies to train for only part of the time.

One employer, in the 500+ size band, commented: "Admin better, concept the same, funding worse!."

Three employers included comments which criticised the concept of Credits as follows:

Company Size 5-10 (Software retailer)(did not recruit school leavers)

If it is what I suspect it is, it's probably another half-hearted attempt by a half-witted Government to solve a critical skills and employment issue.

Company Size 0-5 (Curtain cleaning) (employed 2 credit holders in jobs without training.)

It is exactly the same (as YTS, YT etc.) however, where previous schemes allowed employers to take advantage of youngsters, this scheme is the same but enables the colleges to cash in as well.

Company Size 25-50 (retailer) (employed 1 school leaver on Traineeship)

Let's stop all the gimmicks and fund decent training at colleges who don't do things well enough.

Telephone survey: 20 employers

For this survey, I selected 20 employers who had indicated on their questionnaires that they would be willing to be interviewed by telephone. The sample provided four employers in each of the four middle size bands: 10-25; 25-50; 50-100;

100-250. A further two employers were contacted in the 250-500 band and two in the 5-10 band. The postal questionnaire was used to guide the interviews which, after discussing an employer's responses to the questionnaire, concentrated on the following questions:

1. Do you consider yourself, as an employer, to be acting as a partner in the Credits initiative?
2. What role do you think the TEC should play locally?

At least two employers in each size band said that the idea of them acting as a partner in the Credits initiative was not how they saw the relationship. The following responses demonstrate that, far from a partnership role, most employers have played a passive role and have been recipients of a TEC-managed, TEC-controlled and TEC-dominated product launch:

I've had YTS lads before so I thought *Prospects* was the same. Well, it is really isn't it? They've changed the name but the TEC advisor who came to see me said I didn't have to worry, it would be a matter of some new forms but basically the procedure was the same as before. The TEC's there to sort out the paperwork and make sure the training gets paid for. I just want a useful lad when I need one. I'm not in partnership with the TEC - it's more like another company I might buy stuff from. If they've got what I want I'll buy it. (25-50 band, motor trade)

How can I be a partner of the TEC? They're there to let school kids know what to do about getting a job aren't they? I've heard they can also tell you about management training, that sort of thing. But, as for me, I need a straightforward way to make sure I can employ a young man or girl who wants to work with us. It's important that they get proper training as I might not always have a job for them. This *Prospects* seems a good idea as it makes them go to college and get their qualifications. I just want the TEC to tell me what I've got to do and so long as it doesn't interfere with my business, that's okay with me. (50-100, textiles)

It's been the same for years. The government keeps changing the names of these schemes and telling us employers we've got to get involved. Well I've always got involved and two of the girls I took on six or seven years ago are still with us, they've done fine. The TEC should sort the college out though....I went there a few weeks back to some meeting with local employers and we weren't very impressed with the equipment they'd got. Simple paperwork and enough decent young people to choose from that's what I want....and to know that the off-the-job training will make them skilled. (50-100, light engineering)

I'm too busy to be in partnership with anyone but my customers. I've not taken school leavers before and this *Prospects* seemed a good idea but I told the TEC I didn't have time for anything complicated. (100-250, manufacturing)

The TEC lady keeps me on my toes...she sorts out the paperwork and everything. I'm pleased with the trainee we've got. That's what the TEC's there for isn't it? I suppose they're a bit like the Careers Service. The TEC lady calls in and has a cup of tea. It's like a partnership but really I just do as I'm told! I don't understand the courses these days...it's changed since I did my City and Guilds. But our trainee seems to be doing okay...his college work has helped him. (5-10, light engineering)

When we had the old office (Area Office), there was a lot more forms to fill in. The TEC's good and we like the fact that we can ring them and get someone out here if there's a problem. I wouldn't say we were in partnership. I'm in business and that's very different to what the TEC's doing. They could tell the government to put more money into schools....my son's school hasn't got enough text books. But *Prospects* is right to get kids to go to college. We'll help so long as the business side keeps going. We're not a charity...anyone who works here has got to pull their weight. (250-500, retailing)

Only one interviewee, the site manager of a construction company in the 50-100 size band, commented that the TEC's role was too dominant. He said:

My boss (Managing Director) has been to the TEC for some meetings but he felt it was all too political. He wanted to get involved but really I think he found the TEC talk was above him. They should listen to the local employers more and stop banging on about how many schemes they're

cooking up....trips to Europe and schemes to school teachers into industry...it's all very well but we could do with making sure the transport system works and interest rates come down.

That employers have different expectations of the TEC is to be expected, but the comments of employers in this study reveal the enormous gap between those expectations and the parameters within which the TEC operates. It is significant to note, however, that the vast majority of employers represented here see themselves as customers of the TEC rather than partners. Furthermore, they see the TEC as an arm of government with responsibilities, and in some cases, powers to affect education, training, economic regeneration and local and regional infrastructure.

A recurring theme in the interviews was the importance of the relationship between a company and its assigned TEC representative. The majority of employers who took part in the telephone interviews referred to their TEC advisor in a positive way and clearly consulted the advisor on a range of training and business-related issues. This finding is supported by a ED study of employers in six TEC areas which noted that:

Personal contact with employers is necessary and the preferred method of contact with their TECs for employers. This is expensive in terms of resource commitment, but essential. TECs cannot wait for employers to come to them. Unless TECs make direct contact, employers may not investigate what the TEC has to offer because its image can easily 'fall between two stools': large employers may feel the TEC has little to offer them and small employers may feel their needs and concerns would not be of interest to the TEC. (Crowley-Bainton, 1993, p.29)

That such close contact and effective communication with employers is important was shown in the late 1970s in evaluations of the MSC's Unified Vocational

Preparation (UVP) scheme which involved some 3,000 school leavers nationally:

Much depended on how well a UVP scheme had been explained and therefore how well employers understood the basic principles of unified vocational preparation. No matter how far a scheme was planned as a joint venture between an educational establishment and an employer, if those involved were not very interested or did not fully understand the philosophy underlying UVP, then it was likely that the in-company aspects would be omitted or only partially completed. (Wray,et.al., 1982, pp.134-135)

In order to gain a TEC perspective on the importance of the TEC advisor's role, I interviewed four TEC advisors in April 1992 in their TEC offices. Two of the advisors, who covered the Crewe area, were former civil servants in the Area Office whilst the other two advisors (covering Congleton and Macclesfield) had been recruited to the TEC towards the end of 1991, having previously worked for private sector training providers. Their reflections on their role vis-a-vis employers suggested two types of relationship: the first is constructed in the style of a district nurse and her patients; the second has elements of the colonial servant.

You've got to hold their hands a bit. They tend to be so busy and uptight about the business that the last thing they want is me causing them any hassle.

I like to get to know my employers so that I can call in for a chat, have a cuppa and feel at home. They know they can ask me anything and if I can I'll help or I'll put them on to someone else. They don't have time to understand all the stuff about NVQs or how to write training plans. They say, 'You tell me what to do' or 'What do you want me to sign?.

We've all got so many employers attached to us. It's quite a job getting round them all so I don't get much chance to sit at my desk. But I like it that way. I'm there to make sure all the paperwork is up-to-date and that the employers are paying the trainees, looking after them,

making sure they got to college. I'm a sort of ambassador in a way but you have to be plain speaking with some of these employers...let them know they can't mess about with the procedures. Keep it simple and don't bother them with too much detail, that's my motto.

Sometimes it's hard work keeping to the job in hand as these guys want help with so many aspects of their business. They know I've got a job to do and I make sure I'm really well organised so that they seem me as a professional. Some advisors stop and chat but I try to be friendly but efficient.

As a researcher, I found that several of the telephone interviews with employers lasted far longer than I had envisaged as they wanted to ask questions about changes to education and training. I recorded the following questions in my research diary after the interviews as they illustrate the confusion and lack of knowledge among employers about policies in which they are supposedly taking a leading or a partnership role:

-Can our trainees still do City and Guilds now that these NVQs have come in?

-How can you pass a qualification if you don't do any exams?

-You're in education, what should my son do if he wants to improve his GCSE results? Can he do that with his *Prospects* card?

-Where does the TEC get its money from?

-Can you tell me where I can get some help to train some of my older workers?

-Why doesn't the TEC get these kids learning a foreign language? That would really help businesses or is that the schools' job?

-Does the college get a back-hander from the TEC for all these

courses it fills?

-A friend of mine who runs a business in Manchester says they haven't got these training Credits. Is our TEC going it alone then?

Evaluating Credits

Responding to the fact that fewer than half of the 27,000 Credits offered to young people who left school in 1991 had been taken up by November of that year, Michael Howard referred to the increase in staying-on rates. At the same time, the TECs and LEC involved were blaming the recession. Undoubtedly, the Credits initiative could not have been launched at a worse time as employers of all sizes and in all sectors stopped recruiting young people. To what extent the concurrent rise in staying-on rates is a consequence of the recession is difficult to measure but it is certain that many young people will only remain in full-time education for one year. An important credibility test for Credits will be to see how many of those 17 year olds take up their entitlement.

Both factors - the recession, whose effects will haunt Credits pilots for some time to come, and the increased staying-on rates - present TECs and LECs with practical problems. In terms of their impact on national training policy, they each represent a paradox. If the main purpose of Credits is, in the words of the Government, "to expand and improve the training of young people", how can this be achieved, recession or boom, if Credits are reliant on employers recruiting young people to jobs with training? At the same time, Government appears to be succeeding in encouraging schools and tertiary colleges to retain as 16 year olds as possible thus promoting the status of full-time student over that of part-time trainee.

New initiatives are useful in that they often expose weaknesses in the current system. Despite all the problems with NVQs, the shift to a competence-based approach to qualifications is exposing the cosy world where awarding bodies annually rubber-stamped college provision, where written tests held greater status than tests of practical skills, and where there was a disparity between educationally derived curricula and the working practices in modern industry and commerce. Similarly, and perhaps ironically for the Government, Credits are serving to expose even further the weaknesses of this country's VET infrastructure.

For young people in South and East Cheshire, the credit has made them, and interestingly, their parents and teachers, aware of their entitlement to receive vocational education and training after sixteen. A credit represents, quite simply, the key to unlock that entitlement. In fact, the credit currently unlocks a Pandora's box of effects some of which are empowering whilst others, often according to local labour market conditions and the TEC's credit model, offer no choice of route to the young person.

Credits have been launched into a hostile environment which, on the one hand, is seeing youth unemployment rise whilst on the other has seen the funding of educational institutions become increasingly dependent on the numbers of full-time students they retain. Empowered young people pose a big problem to educational institutions. They demand course combinations which upset the smooth operation of the timetable. If an empowered young person is combined with an astute employer, then the problem is doubled for the employer might start demanding flexibility in terms of start and finish dates. Upsetting the educational apple cart would seem to

fit quite happily with the Conservative Government's and certainly the ED's agenda during the 1980s and early 1990s yet other circumstances are combining to make the use of Credits far from easy.

Unless Credits are upgraded to become the key which unlocks a young person's entitlement to both further education and vocational training regardless of full or part-time status, then they will be by-passed by the majority of eligible school leavers in the 1990s. Those in the minority who choose to leave full-time education to seek work may find that the credit merely buys them a re-vamped youth training place. This polarisation of youth reflects the seemingly different and conflicting policy agendas of the ED and DFE. On the one hand, the ED is attempting, via a funding mechanism which routes funds through individuals rather than providers, to increase the numbers of young people entering jobs with training and, hence, the numbers of part-time students in further education. On the other hand, the DFE continues to route funds through institutions and to promote full-time 16-18 year old provision over part-time. The grand design of the CBI referred to at the start of this chapter and the ED's claims that Credits would 'expand and improve the training of young people' appear to be a long way from being realised.

From the employer's point of view, Credits are another 'product' which TECs are trying to sell.

Part Three

Chapter Seven

Conclusion

Employers are both villains and victims when it comes to the history of VET initiatives and performance. They have been castigated by academics, politicians and their own employer organisations for their lack of investment in the training of their workforces and for failing to contribute sufficiently to a national training strategy. This thesis has attempted to discover some of the reasons behind employers' attitudes to VET and has brought forward evidence from two major VET initiatives: firstly, the introduction of TECs; and, secondly, the introduction of training credits. In addition, it has examined the historical evidence pertaining to employer involvement in VET and paid particular reference to employer policies and practices regarding apprenticeships.

The historical evidence demonstrates an unwillingness on the part of employers to separate their short-term training and labour supply needs from their projected longer term requirements. The driving force in the majority of companies has been and still appears to be the objective of making annual profits from which shareholders (in the bigger companies) or the owners (in the smaller companies) can immediately benefit. This is to be expected. At various points in history, and, particularly, during the last thirty years, employers have been asked to look beyond their localised and immediate concerns and to take a more reflective view of their own and the country's requirements for skills which will enable them and the country to compete in international markets. Such exhortations have come from a number of bodies referred to in this thesis. Yet, the response from employers has continued to be, at best, lukewarm. Despite efforts since

Callaghan's 1976 Ruskin Speech to inject a vocational curriculum into schools, colleges and universities, and to integrate so-called 'core' and 'transferable' skills into academic and vocational courses, employers continue to call for improvements in the standard of general education. Their recruitment practices suggest that they continue to select employees on the basis of their academic achievements, paying little attention to records of achievement or career action plans, and, in some cases, according to the educational institution attended. As each new initiative, designed to 'transform' the VET landscape, has been introduced, employers throw up their hands in horror and retreat to the school certificates, psychometric tests and subjective references with which they feel most comfortable.

This thesis has documented the illusory nature of employer-led initiatives, emphasising instead the dominant creative role of civil servants, notably in the MSC and the Employment Department. In addition, the case study of South and East Cheshire TEC in Chapter Five, and the discussion of Credits in Chapter Six demonstrated the way in which the initiatives themselves have become the end rather than a means to an end. Employers' participation in such initiatives is, of course, variable but, on the whole, employers appear to be on the receiving end of a service which, as the rhetoric would have us believe, they are supposed to have demanded and conceptualised.

In this context, the concept of 'partnership' is particularly misleading. The most recent study of education-business partnerships concludes:

Given the complex interpersonal relationships and the cultural differences between education and business, partnerships must allow time for people to change and for

things to happen. Partnerships need guidance and support to help those involved to continually reflect on previous learning and to plan change on the basis of this reflection. (Gibbs, et.al., 1991, p.178)

These are worthy sentiments which might serve any group of people coming together from different backgrounds for a common cause. They are insufficient, however, as maxims for a partnership which aims to involve employers as equal partners in the improvement of education and training. The tone reflects the attitudes of the two TEC Board members interviewed in Chapter Five who saw their work for the TEC as analagous to their work for a variety of community-based organisations. It is the milieu of the parish councillor, of the Red Cross volunteer and the Women's Institute member chairing a working party. Such activity is, of course, necessary and valuable but it thrives on voluntarism and on the talents of the gifted amateur. That such a model be deemed as adequate, indeed ideal, for the transformation of the nation's VET policies and practices cannot be justified as the historical and contemporary evidence manifestly proves.

In the introduction to the thesis, I posed five questions which I will now attempt to answer.

1. What do employers want from VET in terms of both policy and practice? Do they want to control it or are they interested in partnership?

The evidence in this thesis suggests that employers expect to play a role in VET but that it must be a VET system which they understand and from which they can expect to reap benefits which directly align with their most important needs. The concepts of control and partnership do not really interest the majority of employers. They

would rather rely on VET professionals to design and implement the necessary measures to improve VET performance. Some employers' organisations, notably the CBI are attempting to control VET policy but their pronouncements bear little relation to the concerns of the majority of employers throughout industry and commerce. There is evidence, from a small-scale study carried out in 1991, that some companies which recognise the public relations value of being involved either locally or nationally with education and training programmes and projects are only interested in high profile activity. (see CEI, 1991, p.24)

2. Would employers prefer to hand over all responsibility for VET to the education sector?

This question has been partly answered above but it should be added here that educationalists, academics and policymakers have to listen to employers' concerns about educational standards. Employers, of all sizes and sectors, are woefully ignorant of the changes in schools and colleges and, understandably, base their knowledge and understanding educational standards on the performance of the latest set of recruits to attend an interview. It has been argued in a number of research papers that employers cannot be trusted when they make pronouncements about the skills, knowledge and attitudes they require from employees and that their recruitment practices often contradict those pronouncements. Perhaps it is time to concentrate more attention on those recruitment practices which suggest that academic attainment always triumphs over personal and transferable skills.

3. Do employers understand the nature of the role expected of them and are they capable of playing it?

The evidence in this thesis would suggest that employers' understanding of the role they are expected to play in VET does not equate to the way in which policymakers articulate that role. The mis-match between the two is clearly illustrated in the discussion of Credits and in the work of TECs. The evidence also suggests that employers do not have the time, training or desire to take a leading role.

The two remaining questions:

4. To what extent do the policymakers understand the needs and attitudes of employers?

and

5. To what extent do the so called 'employer organisations' reflect the real views of employers in relation to VET policy and practice?

have been partly answered above. It is important to also note that if policymakers do have a real understanding of the needs and attitudes of employers, the history of VET initiatives would suggest that they have allowed the knowledge that employers are renowned for their short-termism and inability to see training as a major company concern to determine a laissez-faire, voluntaristic approach to VET.

From the research I have carried out for this thesis and from my experience of working with employers and VET professionals, I have concluded that it is time to construct a new paradigm within which we can explore and develop meaningful roles for the various stakeholders in VET, and in particular, for employers. Such a paradigm must recognise the diversity of employer experience and expertise and

have the capacity to compensate for major inadequacies among some employers and in some occupational sectors in terms of the ability and desire to provide adequate and appropriate VET practice.

It is evident that further research is required, particularly with regard to employers' recruitment practices and the connections between those practices and subsequent job-related training and performance. We also need to know more about the extent to which the concept of the 'corporate classroom' has been adopted by industry and commerce, and identify examples of good practice in workplace learning building on the work of Wolf, et.al. (1990). There is no equivalent here to Eurich's 1985 study of corporate classrooms in the United States. Research in the UK has tended to relate to industry's links with higher education which have resulted in specialist and tailor-made degrees, the accreditation of project work carried out in companies and, increasingly, courses in which students spend as much time based in the workplace as they do on campus. (see Wright, 1990, and Roizen and Jepson, 1985) We need a more comprehensive review of the nature and scope of workplace learning across occupational sectors and company size bands.

The work of TECs and education-business partnerships must be analysed in relation to the impact each and every single initiative has had on the ability of individuals to secure training and further education connected to their workplace. To date, much of the research into TECs has concentrated on their overall management of public funds and their reception by their local communities and partners. There needs to be detailed studies made of all TEC managed initiatives with comparisons of their performance in different parts of the country. And, most importantly, the outcomes of the research must be widely disseminated and addressed. If it is found

that there is a significant gap between the country's desire to have a high-skilled workforce and the intention of many companies to restrict the volume and nature of their training, then the government, the employers' organisations and other lobby groups must recognise that gap.

A new VET paradigm would abandon the concept of 'partnership' and recognise that there are a number of separate stakeholders in VET, each with its own distinctive cultural background, needs, constraints and aspirations. Those stakeholders are:

- employers
- employers' organisations (local, regional and national)
- educational institutions (schools, colleges, universities)
- training organisations (public and private sector)
- community organisations (including the voluntary services)
- advice and guidance organisations
- government departments
- organisations under government contract
- individuals

A major step forward in constructing the paradigm would be to identify, in the clearest terms, the make-up of the stakeholders and ensure that each had an adequate understanding of the others' characteristics. Through such clarity, a much more genuine picture of the VET landscape would emerge, providing a foundation on which to build policies which provide benefits to all stakeholders. This is not to advocate acquiescence to vested interests. It is to recognise that it is in the interests of stakeholders to adapt their position and demands in the light of

their new awareness of each other's role and function.

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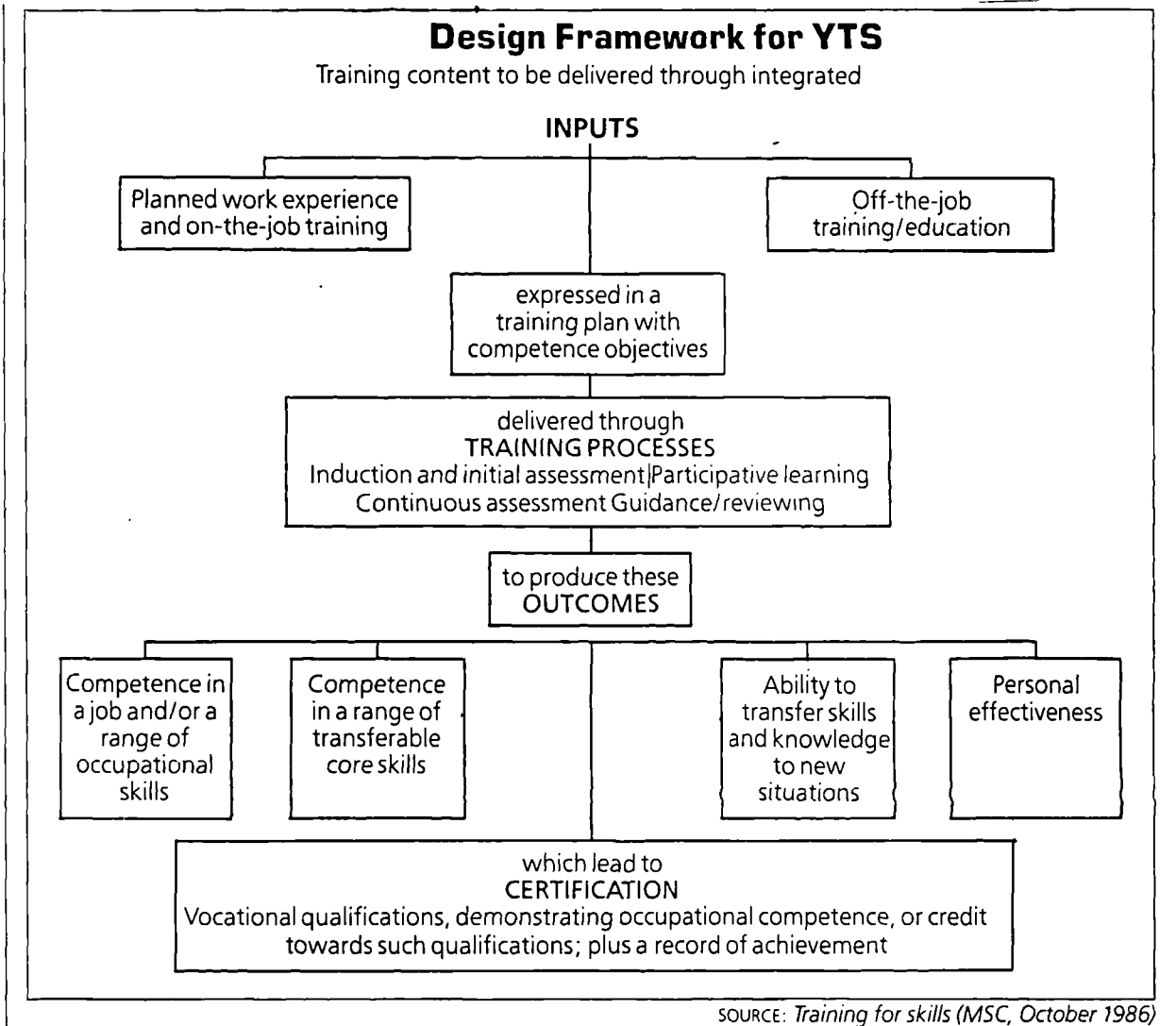
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Appendix one



Appendix two

SUMMARY OF INDENTURED APPRENTICES IN THE GROUP, 6TH JUNE, 1969. CID/RSW/KD. 16th June, 1969.

WORKS	Engineering and Building										Other Apprenticeships										TOTAL	GRAND TOTAL		
	B. Layer	C/Joiner	Gen. Paint	P/Fitter	Plumber/Leadburner	Copper/smith	Elect.	Fitter/Turner	Motor Mach.	Mechanic	Instr. Mechanic	Shoof Worker	TOTAL	Col. Class Worker	Chem. Tech.	Mech.	Draughts-Ship. Elec.	Pupil	Eng. D/M	Textile Tech.			Account-ant	Chef
Antree	-	-	-	1	-	-	-	4	8	-	-	-	13	-	-	-	-	-	-	-	-	-	-	13
arrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	4	
Carrickfurgus	-	1	1	5	4	-	4	6	-	-	3	1	25	-	-	-	-	-	-	-	-	-	25	
Castle	-	1	-	2	-	-	-	1	8	-	-	1	13	-	-	-	-	-	-	-	-	-	13	
Coventry	1	2	4	4	1	1	6	7	-	-	1	-	27	-	-	-	-	-	-	-	-	9	36	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	4		
	-	-	-	2	-	-	-	5	-	-	-	-	7	1	5	2	-	-	3	-	-	11	18	
	-	-	-	1	-	-	-	2	-	-	-	-	3	-	15	1	-	-	-	-	-	16	19	
	-	-	1	3	-	1	-	6	-	-	3	-	14	-	8	-	-	-	-	-	-	8	22	
	-	-	-	-	-	-	-	3	-	-	-	-	3	-	-	1	-	-	-	-	-	1	4	
	-	4	-	-	-	-	1	3	-	35	1	-	44	-	-	35	3	2	-	-	-	40	84	
	-	-	1	-	-	-	2	4	-	-	-	-	7	-	-	-	-	-	-	-	1	1	8	
	Greenfield Fibro & Chem.	3	4	4	5	7	-	7	25	-	-	4	1	60	-	-	-	-	-	-	-	-	-	60
	Grinsby Fibro & Courtalle	-	-	-	5	-	-	5	9	-	-	7	1	27	-	-	-	-	-	-	-	-	-	27
British Celanese Lancaster	-	-	-	-	-	-	-	1	2	-	-	-	3	-	-	-	-	-	-	-	-	-	3	
L.H. Prod. & L.H. Proc.	-	1	2	2	-	2	5	7	-	-	2	-	21	-	4	-	-	-	-	-	-	4	25	
Munceton	-	1	-	-	-	-	1	2	-	-	-	-	4	-	-	-	-	-	-	-	-	-	4	
Preston	-	3	2	2	2	-	4	13	-	-	3	2	31	-	-	-	-	-	-	-	-	-	31	
Spondon	-	1	-	10	2	1	11	41	1	-	16	2	85	-	-	-	-	-	-	-	-	-	85	
Trafford Park	-	-	-	-	-	-	1	2	-	-	1	-	4	-	-	-	-	-	-	-	-	-	4	
Wolverhampton	-	-	-	-	1	-	1	2	-	-	1	-	5	-	-	-	-	-	-	-	-	-	5	
Wuxham	-	-	-	1	-	-	3	10	-	-	-	-	14	-	-	-	-	-	-	-	-	-	14	
Westcroft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTALS	4	18	15	43	17	5	57	165	1	35	42	8	114	1	32	39	3	2	3	4	5	9	94	508

Indenture of Apprenticeship

This Deed of Apprenticeship made the THIRTIETH
day of APRIL 1954.

BETWEEN BRITISH CELANESE LIMITED

(hereinafter called "the Company" of the first part)

EDNA ELIZABETH DUMELON,

of 18, ALBERT ROAD, SANDIACRE, NOTTS.
(hereinafter called "the Guardian" of the second part)

and JOHN NORMAN DUMELON,

of 18, ALBERT ROAD, SANDIACRE, NOTTS.
(hereinafter called "the Apprentice" of the third part)

Whereas

- (1) The Apprentice has attained the age of 16 years and is employed on probation by the Company with a view to becoming an apprentice in the ENGINEERING TRADE and
- (2) The Company is satisfied that the Apprentice is a suitable person to be taught and instructed as an apprentice in the craft of a FITTER and
- (3) The Guardian has enquired into the nature of the business conducted by the Company and desires that the Apprentice should learn the craft of a FITTER in the service of the Company.

Now this Deed Witnesseth as follows :-

1. The Apprentice of his own free will and with the consent of the Guardian hereby binds himself as Apprentice in the craft of a FITTER and the Company hereby accepts him as an Apprentice upon the conditions hereinafter appearing.
2. The Company hereby covenants with the Guardian and the Apprentice
 - (a) To accept the Apprentice as Apprentice for the term of FIVE years to be computed from the SECOND day of AUGUST 1952 and during the said term to the best of his knowledge and power and ability to teach and instruct the Apprentice or cause him to be taught and instructed in the craft of a FITTER and in all things incidental or relating thereto.
 - (b) To allow the Apprentice until he shall attain the age of 18 years such leave of absence during normal working hours as will permit him to attend and to require the Apprentice to attend a suitable course of technical and general education at such Schools Colleges or other Institutions as may be approved for the purpose by the Company having regard to the best interests of the Apprentice and to be either at Day Classes or at a continuous or similar course of instruction provided that the period of leave of absence shall be the equivalent of at least one whole day in each week during which the classes are held in the case of day classes or an equivalent period in each year in the case of continuous or similar courses.

- (c) Until the Apprentice shall attain the age of 18 years to pay the School college or institute giving such instruction the proper fees payable for such instruction.
- (d) To pay the Apprentice every week during the term of Apprenticeship wages at the rate prescribed from time to time for apprentices in the factory by agreement between the Company and the AMALGAMATED ENGINEERING UNION.....
 for normal working hours prescribed for workmen and to observe the working conditions for Apprentices as from time to time agreed between the two parties and if and when overtime is worked to pay the Apprentice at the overtime rates for Apprentices in the factory from time to time agreed by the two parties.
- (e) Not to deduct any amount from or reduce the wages of the Apprentice on account of his attendance for such technical or general instruction as aforesaid or on account of any period or periods when the Company's works may be closed or on account of any holiday recognised by the Company and the AMALGAMATED ENGINEERING UNION.....
 save that if the Apprentice should absent himself from his Company's service unlawfully or fail to attend the said course without proper and sufficient reason the Company may deduct from the apprentice's wages the amount of wages otherwise payable for the time during which the apprentice is absent therefrom.
- (f) In the event of the Apprentice being at any time incapacitated from work by illness or injury certified by a doctor's certificate in respect of each week of absence from the Company's service, to pay the wages of the Apprentice during such incapacity but the Company shall be entitled to deduct from any such wages an amount equivalent to the sum which the Apprentice shall have received under any National Insurance Scheme for the time being in force in respect of his absence from work on account of such incapacity or which he would have been entitled to receive under any such scheme if he had made the appropriate claim provided that the Company shall not be bound to pay any wages under this Sub-Clause for a longer aggregate period than four weeks in any 52 consecutive weeks. It is further provided that if the Company is not satisfied with the terms of the doctor's certificate produced by the Apprentice it may at its discretion and expense require the Apprentice to be examined by a doctor nominated by the Company and if such doctor is not satisfied as to the incapacity and so certifies this Sub-Clause shall be inoperative.
- (g) To allow the Apprentice all holidays for Apprentices as from time to time agreed between the Company and the AMALGAMATED ENGINEERING UNION.....

- (h) Not to assign the Apprentice to another Company without the previous consent in writing of the Guardian.
- (i) Not to require the Apprentice to work overtime other than such as is provided for under the Agreement between the Company and the AMALGAMATED ENGINEERING UNION.....

- (j) On the due completion of the Apprenticeship to the satisfaction of the Company to endorse this Deed with a certificate thereof as hereinafter prescribed to be signed by the Company and this Deed so endorsed shall become the property of the Apprentice.
3. The Guardian hereby covenants with the Company that he will during the term of the apprenticeship provide the Apprentice with such board clothing and lodging and all other necessities as he may reasonably require.
4. The Guardian hereby covenants with the Company that he will to the best of his ability and opportunities during the term of the said Apprenticeship restrain the Apprentice from contact with any harmful influences outside the Apprentice's working hours.
5. The Apprentice and the Guardian as surety for the Apprentice hereby jointly and severally covenant with the Company as follows :-
- (a) That during the continuance of the apprenticeship the Apprentice will faithfully and honestly serve the Company as their Apprentice and be diligent to learn the craft aforesaid and will at all times willingly obey and perform the lawful and reasonable commands and requirements of the Company or of their authorised representative and keep the secrets of their trade.
- (b) That the Apprentice shall work in the Company's business during the normal working hours prescribed from time to time for apprentices by the AMALGAMATED ENGINEERING UNION.....
 and work such overtime as is provided for under the rules of the AMALGAMATED ENGINEERING UNION.....

- (c) That the Apprentice shall not do or commit any waste damage or injury to the property or goods of the Company or knowingly suffer the same to be done without acquainting it therewith provided always that the Company shall not hold the Apprentice liable for any such waste or damage or injury not done or committed wilfully or maliciously or as a result of a breach of the lawful rules and regulations of the Company committed knowingly by the Apprentice.

- (d) That the Apprentice shall not during the continuance of the apprenticeship engage in any other occupation or business whatsoever which might interfere with the successful carrying out of his apprenticeship.
- (e) That the Apprentice shall not absent himself from the Company's service unlawfully but shall in all things conduct himself as an honest and faithful Apprentice should.
- (f) That the Apprentice shall until he attain the age of 18 years attend regularly and punctually the day classes or the continuous or similar course of instruction referred to in Clause 2(c) hereof and in addition during the whole term of this apprenticeship shall attend evening classes approved by the Company as it shall require. The Apprentice shall upon request of the Company apply to the proper authority for and produce for their inspection such certificates of attendance reports or results of examination as may be issued to him in respect of any courses of instruction as aforesaid.

In Witness whereof the parties hereto have hereunto set their hands and seals the day and year first above written.

The Common Seal of

BRITISH CELANESE LIMITED was

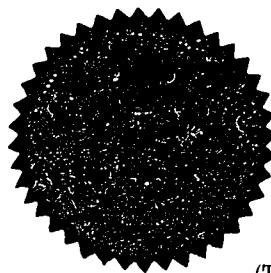
hereunto affixed in the presence of

[Signature]

Director.

[Signature]

Secretary.



(The Company)

SIGNED SEALED AND DELIVERED by th^e

above named

EDNA ELIZABETH DUMLOW

in the presence of

[Signature]

RAYMOND BOYD SIMPSON,
PERSONNEL MANAGER,
THE CROFT,
CENTRAL AVENUE,
BORROWASH,
DERBY.

[Signature]

(The Parent or
Guardian)



SIGNED SEALED AND DELIVERED by th^e

above named

JOHN NORMAN DUMLOW

in the presence of

[Signature]

[Signature]

(The Apprentice)



As above.

commencing 2nd August, 1952.
 The period of five years/mentioned in clause 2(a) hereof includes (with the consent of the said Union) a period of pre-apprenticeship training at School before entering on practical training with the Company on the Seventh day of September, One Thousand Nine Hundred and Fifty-three. During the said period of pre-apprenticeship training the obligations hereunder of the Company shall be the same as if the said apprentice had not apply.

FOR BRITISH CEALANSE LIMITED

W. H. H. H.
 Secretary

Endorsement of Deed of Apprenticeship

A. We, the Company, hereby certify that this Deed of Apprenticeship terminated on the has been faithfully complied with and is hereby endorsed in accordance with the provisions of Clause 2(b) thereof.

(i) Company.

B. We further certify that during the period of Apprenticeship the Apprentice has attained the following awards :—

- (i)
- (ii)
- (iii)
- (iv)
- (v)

Contract of Apprenticeship

Appendix four

An Agreement dated
BETWEEN
of
(hereinafter called "the Apprentice"),
the parent or legal guardian of the Apprentice (hereinafter called "the Guardian"),
and
Limited (hereinafter called "the Company")

WHEREBY IT IS AGREED AND DECLARED AS FOLLOWS:—

1. The Company shall employ the Apprentice and the Apprentice, with the consent of the Guardian, shall serve the Company as an apprentice to learn the trade of
at the Company's establishment at
(or at such other establishments as may be agreed between the parties) from the
date hereof until
thereby completing a total term of such apprenticeship of
2. THE APPRENTICE AGREES with the Company as follows:—
 - (a) to work conscientiously for the Company as an apprentice and to use the utmost endeavours to become proficient in the said trade;
 - (b) if so required by the Company, and at its expense, to attend and diligently study at technical or other classes or at works outside the Company's own organisation for such education or instruction as the Company may deem advisable;
 - (c) to the best of the Apprentice's endeavour to qualify for the certificates and to achieve the standards as shall reasonably be required by the Company in theoretical and practical training;
 - (d) not to take part in any strike or other industrial action;
 - (e) to carry out all reasonable and lawful instructions of the Company or of persons holding authority on its behalf, including those instructions expressed in Works Rules and Notices, and to comply with the relevant conditions of employment in so far as they do not conflict with the terms of this Agreement.

—and—

Contract

—OF—

Apprenticeship

3. THE COMPANY AGREES with the Apprentice as follows:—

(a) to secure the provision of such facilities, information, instruction and supervision as will enable the Apprentice to learn the said trade and relevant practices;

(b) to pay the Apprentice for time worked in accordance with the rate-for-age scale applicable to the appropriate trade, or such other rates as may from time to time be agreed, and the conditions applicable in the establishment at which the Apprentice is for the time being employed.

4. THE GUARDIAN AGREES with the Apprentice and the Company to use the utmost endeavours to facilitate and encourage the Apprentice's compliance with the terms of this Agreement.

5. IT IS FURTHER AGREED as follows:—

(a) in so far as they do not conflict with the terms of this Agreement, the Apprentice shall be employed in accordance with the terms and conditions applicable from time to time to other workers in the relevant trade employed by the Company at the Apprentice's place of employment, as indicated in the written particulars of terms of employment which shall be supplied to the Apprentice by the Company in accordance with statutory requirement;

(b) the first 26 weeks of the term of this Apprenticeship shall be treated as a probationary period and at any time prior to the expiration of that period the Apprentice (with the assent in writing of the Guardian where the Apprentice is *not of age*) or the Company may terminate this Agreement by one week's written notice served upon the other party;

(c) if the Apprentice fails to make reasonable progress towards achieving the standards reasonably required by the Company in theoretical or practical training, the Company shall be entitled to warn the Apprentice in writing of its intention to terminate the Apprenticeship in the event of continued failure to achieve such standards; if, despite being given a reasonable opportunity after such a warning to achieve the required progress the Apprentice continues so to fail, the Company shall be entitled to dismiss the Apprentice;

(d) the Company shall also have the right to dismiss the Apprentice without notice in the case of misconduct by the Apprentice (including wilful breach of any of the Apprentice's undertakings contained in this Agreement) of so grave a nature as to justify the summary termination of employment as an apprentice;

(e) in this Agreement members of the staff of any college or other teaching organisation at which the Apprentice may be required under the provisions of this Agreement to attend will be regarded as holding authority on behalf of the Company for the purpose of instructing and controlling the activities of the Apprentice;

(f) the Company shall be under no obligation to employ the Apprentice nor shall the Apprentice be obliged to work for the Company after the termination of the period of apprenticeship under this Agreement.

WITNESS the hands of the parties hereto, the Company by a duly authorised person, the date before written.

SIGNED by
(the Apprentice) in the presence of:—

SIGNED by
(the Guardian) in the presence of:—

SIGNED ON BEHALF OF THE COMPANY
by
being duly authorised thereto
in the presence of:—

/ to:

Terminal Display Systems Ltd
TUS House
Lower Philips Road
Whitebirk Estate
Blackburn
BB1 5TH

Tel: 0254 676921
Fax: 0254 676950

Appendix five

15 JUL 1993

ELTEC

Investing in People
in Partnership with the Community

RED ROSE COURT • CLAYTON BUSINESS PARK • CLAYTON LE MOORS • ACCRINGTON • LANCASHIRE • BB5 5JR • TEL : 0254 301333 • FAX : 0254 399090

12th July 1993

Sir G Holland
Permanent Secretary
Department for Education
Elizabeth House
York Road
LONDON
SC1 7PH

Dear Sir Geoffrey

YOUNG PEOPLE - POST-16 EDUCATION AND TRAINING

I am writing on behalf of the TEC Chairs and Chief Executives in the North West of England, after a debate on post-16 Education and Training at our recent bimonthly meeting. We would like you to clarify some points on DFE policy where we feel that some actions by Government and its agencies, and the effects of funding regimes, are sending confusing messages on objectives and policy. We have tried to set these out below as clearly as we can. This letter relates to the 16-21 year old group only and not to adults.

Our own objectives and policies on post-16 education and training can be summarised as:

- our overall aim is to achieve the National Education and Training Targets, in particular, the Foundation Targets of 80% achievement of Level 2 by 1996 and 50% of Level 3 (or equivalent) by 2000, measured at age 19 and 21 respectively.
- to maximise entry/re-entry to education and training by 16-19 year olds and aim for all such young people to continue learning post-16, in order to achieve their potential, supported by an entitlement to at least Level 3, where the young person can benefit.
- to enable young people to choose the post-16 learning route and method best suited to them and most likely to maximise their achievement, whether that be full-time academic education, full-time vocational education, work-based training or a mixture of these.
- to bring about "parity of esteem" for academic and vocational qualifications by developing and maintaining the quality and acceptability (to employers, and Higher Education providers) of A Levels, GNVQs and NVQs, at Level 3 particularly.

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- to open access and progression to Levels 4 and 5 to young people (and adults for that matter) whether their Level 3 achievement is A Levels, a GNVQ or an NVQ, via routes based both in full-time education and work-based training.

We would like you to tell us whether the description above sets out fairly the objectives of the DFE.

The items described below have sent out messages to various local players that DFE objectives may not be those described above:

- the statement in a speech (to the FE sector) by Mr Patten that "NVQs are for adults. A Levels and GNVQs are for young people."
- FEFC's policy (on 25% growth in student numbers) is expressed in full-time equivalents. This gives colleges the incentive to favour full-time education over part-time college attendance in the training route, even though this is likely to cost more to the public purse.

There seems to be a fundamental policy conflict here. If the current staying-on rate (in full-time education) is between 65% and 70%, and the 25% target increase applies roughly equally to adults and young people, and further, if the 25% increase is measured in full-time equivalents, then the FEFC's target cannot possibly be achieved unless the work-based learning route is virtually squeezed out of existence. The full-time education route would need to account for between 80% and 90% for the FEFC's target to be met. This cannot be right for young peoples' preferences or preferred learning method and/or cost-effectiveness. We are concerned that the 25% target is expressed in full-time equivalents and not simply students, and do not understand why this should be so.

- the college funding regime for 1993/94 involves reduced payments for part-time students, and bonuses for full-time students only. Although this will be changed next year and we support the proposed new arrangements, the other points above, together with this year's regime, have set a pattern of thinking in many colleges.
- the message (from various quarters) that GNVQs are for full-time education and NVQs are for work-based training (we feel that either can be used in either learning method).

- work is going on to achieve parity of entry for access to HE, focussed on A levels and GNVQs, which may well place NVQs in an inferior position, thus destroying any hope of parity of esteem for the NVQ route.

Postscript - at the TEC Conference, a change of name was announced for GNVQs but not for NVQs - this seems to confirm our worst fears - the name of NVQs must also be changed urgently.

- we understand that the proposed Level 3 Diploma, which would have provided a great step forward in parity for A levels, GNVQs and NVQs, has now been dropped.
- plans for publication by schools and colleges of destination information, describe the training route as YT and separate it from jobs, rather than including a category for "jobs with training".
- management information related to colleges and schools does not appear to be coherent with NETTS e.g., 5 GCSE's whereas NETTS measures relate to 4 GCSE's.

TECs feel that the work-based route, organised by individual or groups of employers with TEC support, will continue to be an essential alternative and that this route is not remedial in nature or for educational failures only. Training Credits and other developments by TECs are increasing the proportion in "apprenticeships" and the achievement of Level 3.

TECs are involved, not only in providing this work-based training route for young people, but also in supporting full-time education (through colleges particularly) and in Business Education Partnerships. Our worry is that some of the messages coming from the DFE and the FEFC appear to conflict with the objectives described earlier in this letter, when clear policies based on those objectives, in the past, have been shared by TECs, LEAs, colleges and Government.

We would very much appreciate a response on both your view of our objectives and the latter points.

Yours sincerely



TONY CANN
CHAIRMAN
ELTEC & N.W. TECs G10 Member

cc: N.W. TEC Chairs and Chief Executives
Nigel Chilcott, TEC Secretariat

Appendix Six

TEC Points	Points	TEC	
Dorset	27	QUALITEC (St.Helens)	18
Barnsley/Doncaster	26	Thames Valley Enterprises	18
METROTEC (Wigan)	26	Wakefield	18
Rotherham	26	Bedfordshire	17
CAMBSTEC (Cambridge)	24	Bradford & District	17
HAWTEC		Rochdale	17
(Hereford & Worcester)	24	Shropshire	17
Lincolnshire	24	Suffolk	17
County Durham	23	Walsall	17
Leicestershire	23	Wearside	17
NORMIDTEC	23	Birmingham	16
(North & Mid-Cheshire)		Hampshire	16
Wiltshire	23	Isle of Wight	16
Gloucestershire	22	Merseyside	16
Greater Nottingham	22	Tyneside	16
Greater Peterborough	22	Avon	15
Sussex	22	CEWTEC	15
Dudley	21	(Chester/Wirral/Ellesmere Port)	
LAWTEC (West Lancs)	21	Coventry & Warwickshire	15
South and East Cheshire	21	Devon and Cornwall	15
Staffordshire	21	North Derbyshire	15
Stockport/High Peak	21	Somerset	15
Wolverhampton	21	Surrey	15
Calderdale/Kirklees	20	Teeside	15
Cumbria	20	Heart of England	14
ELTEC (East Lancs)	20	Northumberland	14
Humberside	20	West London	14
Leeds	20	AZTEC (Kingston)	13
South Derbyshire	20	North West London	13
North Nottinghamshire	19	SOLOTEC (South London)	12
North Yorkshire	19	South Thames	12
Oldham	19	Kent	11
Sandwell	19	London East	11
Sheffield	19	Norfolk and Waveney	11
Bolton Bury	18	CENTEC (Central London)	10
Central England	18	CLINTEC (Inner London)	10
Manchester	18	Hertfordshire	9
Milton Keynes/North Bucks	18	Essex	8
Northamptonshire	18	Maximum possible score:	28
North London	18	Minimum:	7

(Source: THES, September 17th, 1993)

RESIDENTS IN EMPLOYMENT: Socio-Economic Group by District											
GROSSED UP FROM 10% SAMPLE DATA											
		Cheshire	Congleton	Crewe	Ellesmere Port	Halton	Macclesfield	Vale Royal	Warrington	Cheshire	England and Wales
1	Employers Managers - large	2,180	1,990	1,460	1,230	1,540	4,090	2,620	3,040	18,150	931,720
2	Employers Managers - small	4,460	3,450	2,770	2,020	2,420	8,680	4,220	4,620	32,640	1,599,850
3	Professional - self-employed	440	300	120	180	170	800	360	350	2,720	142,440
4	Professional - employee	2,650	1,690	1,210	1,290	1,100	4,330	2,300	3,140	17,710	697,660
5.1	Ancillary Workers and artists	5,540	3,960	3,990	3,240	3,580	8,580	4,300	7,180	40,370	2,024,780
5.2	Foremen and Supervisors Non-Manual	510	240	280	360	360	560	480	530	3,320	214,250
6	Junior Non-Manual	10,090	5,750	7,750	6,400	9,690	13,500	8,510	15,940	77,630	4,486,450
7	Personal Service	3,160	1,590	2,610	2,460	2,670	3,850	2,590	4,160	23,090	1,165,130
8	Foremen	1,130	930	1,240	1,330	1,460	1,180	1,270	2,380	10,920	530,170
9	Skilled Manual	6,960	5,520	8,920	6,540	9,420	8,100	7,780	15,170	68,410	3,594,550
10	Semi-Skilled Manual	4,820	4,200	6,140	5,150	9,240	5,910	6,350	8,590	50,400	2,524,360
11	Unskilled Manual	2,770	1,660	2,640	2,680	4,030	2,360	2,980	4,980	24,100	1,183,480
12	Own Account Worker	1,640	1,500	1,280	580	1,060	3,050	1,280	2,260	12,650	886,110
13	Farmer - empl manager	400	240	480	90	70	420	430	170	2,300	100,860
14	Farmer - own account	310	270	380	20	10	480	290	130	1,890	102,030
15	Agricultural Worker	910	520	880	140	90	760	760	260	4,320	197,120
16	Armed Forces	270	30	80	160	130	30	80	250	1,030	228,310
17	Inadequately Described	430	350	210	350	430	330	210	570	2,880	189,890
TOTAL		48,670	34,190	42,440	34,220	47,470	67,010	46,810	73,720	394,530	20,799,160

Start up/owner
managed businesses less
than 5 employees

South & East Cheshire TEC

Reaching for Success - South and East Cheshire

5 - 250 Employees

Starting a Successful Business	Managing for Success	Planning for Success	Investing in People for Success	Innovating for Success	Exporting for Success	Marketing for Success	Achieving Quality for Success	Financing Success
<ul style="list-style-type: none">• Advice and counselling provided free by Local Enterprise Agencies• SCORE, Cheshire• Manchester Business Ventures (MABV)• New Business Support - 7 week training course for the unemployed, provided by Local Enterprise Agencies• Enterprise Allowance (allowing New Business Support Unit) - see attached flow chart• Business Development Services - provided via Local Enterprise Agencies free from business for less than 12 months. Topics covered:<ul style="list-style-type: none">• Marketing your Business• Accounting towards profit• Export marketing• Book keeping• Customer care• Planning your Business• Success lists available from SCORE or Manchester College• TEC Information Service• Bank Business Start Up Information guide	<ul style="list-style-type: none">• Consultancy projects• Business Improvement• DTI Enterprise Initiative• TEC Consultants register• Executive Linked STEP Programme• Section 8• Section 8 for rural business delivered by Agricultural Training Board• Business Development Section - Local Enterprise Agencies• MCI Standards• Managing for Success seminar/workshops• TEC Management Development Programme:<ul style="list-style-type: none">• MCI Network• Junior Managers - Supervisory Development• Media Managers - MCI Certificate in Management• MCI Diploma in Management• Creating Compliance• Open Learning• Management Club• Computer aided systems• Quality/5S/spotting• Rural Businesses• Rural Development Consultation advice• Agricultural Training Board• TEC Information Service• Sector Group• Clothing Manufacturers' Association• Can network• Open Learning• Your Business Success list available via SCORE or Manchester College	<ul style="list-style-type: none">• Consultancy:<ul style="list-style-type: none">• DTI Enterprise Initiative - Business Planning• TEC Consultant Register• Planning for Success seminar and workshops• Assistance from Business as Adviser• Bank Business Planning Information Pack• Executive Link of STEP project• Business Development Section - Local Enterprise Agencies• MCI Standards• Managing for Success seminar/workshops• TEC Management Development Programme:<ul style="list-style-type: none">• MCI Network• Junior Managers - Supervisory Development• Media Managers - MCI Certificate in Management• MCI Diploma in Management• Creating Compliance• Open Learning• Management Club• Computer aided systems• Quality/5S/spotting• Rural Businesses• Rural Development Consultation advice• Agricultural Training Board• TEC Information Service• Sector Group• Clothing Manufacturers' Association• Can network• Open Learning• Your Business Success list available via SCORE or Manchester College	<ul style="list-style-type: none">• Commitment to become an Investor in People• TEC Consultants register• Assessment register• Performance Improvement Programme:<ul style="list-style-type: none">• Investor in People• Improving standards through your workforce• Section 8• Training and development• NVQ implementation• Section 8 for rural business delivered by Agricultural Training Board• Training Club• Personal and Training Management Group• Return to a CAS for advice and help• CAS publications• Training<ul style="list-style-type: none">• Membership of Fellowship• Accredited as you learn• Themed Training• Information on training via TEC Information Service (Training Access Point)• Information and help to implement National Vocational Qualifications• Skills under• Open Learning	<ul style="list-style-type: none">• TEC industry visit• Consultancy• TEC Consultants register• DTI Enterprise Initiative - Research and Technology Design• Executive Link Project• STEP Programme• TEC Standards and workshops• EC Standards• Technology transfer• NVQ in Information manufacturing industries• Gateway:<ul style="list-style-type: none">• Network (NW Regional Technology Centre)• Cheshire Business and Innovation Centre• Information Technology:<ul style="list-style-type: none">• Training via Unit 90• TEC Information Service• Networking:<ul style="list-style-type: none">• EC Net (Business Co-operating) will be available via TEC Information Centre• Cheshire Contacts	<ul style="list-style-type: none">• Consultancy Projects:<ul style="list-style-type: none">• DTI Enterprise Initiative - Export• TEC Consultants register• Business Audit leading to Computer Analysis Programme or Sales Extension Programme:<ul style="list-style-type: none">• Section 8• Export Club• TEC Information Service• Links with Chambers• EC Net (Business Co-operation Network)• Links with Gateway• International Marketing Programme• Executive Link project/STEP Programme• Holiday Exporting Open Learning Pack• Language Courses Training• Export Training Documentation	<ul style="list-style-type: none">• Consultancy projects:<ul style="list-style-type: none">• DTI Enterprise Initiative - marketing• TEC Consultants register• Business Improvement (marketing) Programme for smaller businesses• Section 8• Executive Linked STEP Projects• TEC Information Service• Open Learning• Marketing Club• Section 8• Executive Linked STEP projects• See also BPNVQ: Achieving quality through your workforce	<ul style="list-style-type: none">• Consultancy:<ul style="list-style-type: none">• DTI Enterprise Initiative - Financial and Information Systems• TEC Consultants register• Section 8• Investment Club• Quality Improvement• Cheshire Finance Guide• Cheshire Venture Capital Club• Rural Finance• Rural Development• Agricultural Development Advisory Service (ADAS) for farm diversification• Cheshire County Council• Section 8• Cheshire Agency• Cheshire Contacts• Cheshire Development Agency• DTI/EC• TEC Information Service	

South & East Cheshire **BUSINESS EDUCATION** **Partnership** **AGREEMENT**

As a member of the TEC and the Business Education Partnership, I agree to comply with the aims and objectives of the Business-Education Partnership, the terms and conditions of Careerships, Traineeships, Adult Training Awards, and any relevant finance annex, as appropriate.

I understand that the TEC will provide:-

- Support towards training costs as agreed in financial agreements;
- Subsidised trainer training in the workplace in accordance with TEC publications;
- Assistance through a TEC advisor in developing, managing and monitoring the training programme.

Signed

Position

Company Name

Address

Telephone Number

Please complete and return to:-

The Business-Education Partnership,
South & East Cheshire TEC Ltd.,
PO Box 37, Dalton Way,
Middlewich,
Cheshire CW10 0HU

Telephone:- 0606 84-7009

From May 1992, the new number will be 0606 737009



South & East Cheshire
BUSINESS EDUCATION
Partnership

BUSINESS EDUCATION PARTNERSHIP DIARY DATES

JANUARY	
10th-21st	Ryles Park School - Pre-16 Work Experience. Two weeks.
17th-21st	Teachers Into Industry - Five day placement for two Primary Teachers developing curriculum material.
18th	Teachers Into Industry - Saxon Cross Motel. Equal Opportunities Day with speakers from Zeneca and National Health Service Trust. 7.30pm - Local BEP Group "Future Trends For The Macclesfield Economy And Implications For Education, Training And Recruitment". All welcome, particularly TA's and BA's. Heritage Centre, Macclesfield.
20th	Management Training for Primary Heads - Ciba. Industry Day - Middlewich High School.
24th	Phase II Investors In People launch at the Holly Lodge Hotel, Holmes Chapel. Management Development Programme - Teacher's Group, Ryles Park.
24th-28th	Ruskin School, Crewe - Work Experience week.
25th	Management Development Programme - Teacher's Group, Knutsford School.
27th	Women Into Management Conference at the Holly Lodge Hotel, Holmes Chapel. (BEP/TVEI collaboration) Macclesfield Careers Exhibition at Wilmslow Leisure Centre
29th	Start of American Teacher Exchange continuing throughout February. Part of the PEPI initiative in Crewe

BUSINESS EDUCATION PARTNERSHIP DIARY DATES

FEBRUARY	
1st	<p>Teachers Into Industry - One day placement with Macclesfield Police</p> <p>Toyota Award Presentation to schools for Technology Project. 4.30pm Frank Grange Garage, Styal</p>
2nd	<p>Quality Work Experience Event. All day event to be held at the Tytherington Club.</p> <p>BEP Crewe & Nantwich - 5.30pm-7.00pm - Catalyst Training Project Steering Group.</p>
4th	<p>Teachers Into Industry - One day placement visiting Motor Vehicle Placements and training at Stockport College (Road Transport Department)</p>
7th & 8th	<p>Teacher Placement National Conference to be held at Britannia Country House Hotel</p>
7th-18th	<p>Malbank School, Nantwich Work Experience. Two weeks.</p> <p>Two weeks Work Experience for Post-16 students from Fallibroome School, Macclesfield.</p> <p>Two weeks Work Experience for Post 16 students from Wilmslow County High School.</p>
10th	<p>Industry Day at Alsager School.</p> <p>Teachers Into Industry - One day placement to explore environmental issues with Greenlink, Bollington</p>
24th	<p>TACADE Launch - Project jointly funded by BEP and Cheshire Police. To be held at Force Training Centre, Crewe</p>
24th/25th	<p>Teachers Into Industry - A two day placement being offered by BNFL. This is being organised through Dave Heath of Normid TEC. Places are limited and aimed at secondary teachers.</p>

BUSINESS EDUCATION PARTNERSHIP DIARY DATES

MARCH	
1st	Teachers Into Industry - A one day placement at the NHS Trust, Macclesfield Hospital to explore careers with NHS.
2nd & 3rd	BEP Team Residential to set and look at future objectives.
4th	Women Into Management - Students conference, Manchester (BEP/TVEI collaboration)
8th	AMTRI - Launch of Design and Technology Project for schools. 4.00pm at Holly Lodge Hotel, Holmes Chapel.
9th	Teachers Into Industry - A one day Primary Placement - Economic and Industrial Understanding - Rolls Royce, Crewe
10th	Teachers Into Industry - A one day Primary Placement - Economic and Industrial Understanding - Ilfords Teachers Into Industry - A one day Primary Placement - "Newspapers in Education" run by Andy Preston of the Evening Sentinel at South Cheshire College.
11th	Teachers Into Industry - A one day Primary Placement - on Equal Opportunities to be held at Zeneca
18th	Technology Week
21st-25th	All Hallows School, Macclesfield - One week Work Experience for Post-16 students
21st- 1st April	Poynton County High School - Two weeks Work Experience for Post-16 students
22nd	Macclesfield BEP - Meeting on TQM. Speaker Chris Barber. To be held at Heritage Centre, Macclesfield

Appendix eleven

TABLE 1 CAREERSHIPS AND TRAINEESHIPS - FRANCHISE PROVIDERS										
FRANCHISE PROVIDERS		STARTS 92/93	LEAVERS 92/93	TOTAL	SUB LEVEL 1	FULL QUALIFICATION ACHIEVED				TRAINING AREA
						BREAKDOWN				
						L1	L2	L3	L4	
1	Association of British Travel Agents (ABTA)	17	7	1			1			Travel Industry
2	Alan Paul	32	9	0						Hairdressing
3	Babbington Business College	10	4	4			4			Accounts & Insurance
4	Baker Wade	16	19	10			10			Hairdressing
5	Clothing & Allied Products Ind. Training Bnd	30	61	42			42			Clothing Trades
6	Reaseheath College	134	153	46		1	30	15		Agriculture/Hort/Small Animals Care/Floristry
7	Footballers FE and Vocational Society	8	12	4			4			Recreation & Leisure
8	Hotel & Catering Training Company	1	5	1			1			Hotel & Catering
9	Judith Alman	19	7	12			10	2		Horse Care/Riding Instructor
10	Link	207	206	31			30	1		Retail/Hairdressing/Estate Agency
11	Retail Motor Industry Training	1	8	3				3		Motor Vehicle
12	Sandbach School Training	34	34	19			15	4		Business Administration/Catering
13	National Provider and companies	56	101	16			8	7	1	Various linked to large National Organisations
14	B Draycott	5	7	0						Meat Trades
15	Construction Industry Training Board	18	33	2				2		Construction
SUB TOTAL		588	666	191	0	1	155	34	1	

TABLE 2 TRAINEESHIPS - SPECIAL NEEDS PROVIDERS									
	SPECIAL NEEDS								
16	Specialised Technical Services	91	137	14			14		
17	NACRO - New Careers Training	87	55	9	9				
18	Mid Cheshire Sheltered Workshop	15	8	5	5				
19	Choices - South & East Cheshire TEC (Macci)	32	37	16	16				
20	Crewe Training Centre	62	61	20	15	5			
	SUB TOTAL	287	298	64	45	5	14	0	0
	TOTAL	875	964	255	45	6	169	34	1

TABLE 3 CAREERSHIPS AND TRAINEESHIPS - TEC MANAGED										
		STARTS 92/93	LEAVERS 92/93	FULL QUALIFICATION ACHIEVED					TRAINING AREA	
				TOTAL	SUB LEVEL 1	BREAKDOWN				
						L1	L2	L3		L4
	Business Education Partnership Employer Contract (Delivered via 550 Employers) delivered by the following									
1	South Cheshire College			131			50	64	16	
2	Macclesfield College			31			9	20	2	
3	Mid Cheshire College			13				11	2	
4	Stockport College			39			16	20	3	
5	Mid Cheshire Hospitals			7			7			
6	Royal Mail			8			8			
7	Macclesfield Borough Council			9			9			
8	Willesden College			4				4		
9	South & East Cheshire TEC			76			42	27	7	
10	Welsh College of Agriculture			1				1		
11	Manchester Met. Univ (Crewe & Alsager)			1				1		
12	Bolton Institute of Higher Education			1					1	
SUB TOTAL		1265	788	321	1		141	148	31	
TOTAL		2140	1752	576	46	6	310	182	32	

Various Careerships in a wide range of occupational areas eg Engineering, Construction, Business Administration, Motor Vehicle, Catering, Science, Computer Studies, Health Care, Mail Operations, Care, Dental Surgery Assistants, Agriculture, Horticulture, Information Technology

TABLE 4 ADULT TRAINING FOR UNEMPLOYED PEOPLE					
	STARTS 92/93	LEAVERS 92/93	POSITIVE OUTCOME & COUNTABLE FROM EMP. DEP.	FULL QUAL. ACHIEVED (NOT ALWAYS AIMED FOR)	TRAINING AREA
1 Ready for Work Providers					
Crewe Training Centre	12	15	5	4	
Macclesfield Borough Council	201	180	65	19	Basic Skills Training & Community Work
Nacro - New Careers Training	249	224	43	39	
Specialised Technical Services	107	100	12	25	
SUB TOTAL	569	519	125	87	
2 Prospect Courses Providers					
ADS Ltd	29	30	2	0	Large Goods Vehicle Driving, PSV Driving, PSV Driver Training
Astra Training Services	68	41	3	4	
Charter Training	232	217	78	120	Carpentry & Joinery, Bricklaying, Electronics, Welding, Electrical Link
Cheshire Technical Services	18	18	0	1	
Manchester Metropolitan University	8	12	1	0	Business Administration
Kids Unlimited	26	25	4	0	
Macclesfield College	108	80	13	7	Computer Programming
National Trust	15	18	2	7	
South Cheshire College	192	119	7	62	Primary School Teaching
Staffordshire University	16	1	0	0	
SUB TOTAL	712	561	110	139	Child Care
3 Employer Based Recruit and Train					
British Polymer Training Association	48	43	6	2	Business Administration, Catering, Computer Studies, Graphic Design, Access to Higher Education
CTFE Ltd	25	13	1	0	
South & East Cheshire TEC Employer Grants	68	35	14	0	Ready for Work, Countryside Tourism & Recreation
SUB TOTAL	141	91	21	2	
4 Executive Links	100	75	12	N/A	Business Admin, Catering, Carpentry & Joinery, Bricklaying
Enterprise Training					
Macclesfield Business Ventures	228	209	73	N/A	Ready for Work, Business Admin, Motor Vehicle, Computer Aided Design
SCOPE	316	332	105	N/A	
SUB TOTAL	544	541	178	N/A	
TOTAL	2066	1787	446	228	

The BUSINESS EDUCATION Partnership TEC

News from the South & East TEC Business Education Partnership - November 90



Cheshire County Council

What every parent in South and East Cheshire should know...

Get the facts!

No matter what age you are when you decide to leave school, you can now take advantage of a new opportunity that gives you the choice and buying power to get the training you want - training to help you achieve your ambitions and lay the foundations for the career of your choice.

It's called Prospects.

Prospects has been developed by an organisation called South & East Cheshire Training and Enterprise Council.

It could help you get a real head start with your career.

The Council - called TEC for short - is fully committed to making sure that young people achieve their highest potential and at the same time benefit from a smooth transition between school and employment.

Prospects really is different. It makes it possible for you to decide what training will give you the best start on the career ladder.

There'll be an opportunity this year to discuss your plans with an expert from the Cheshire Careers Service who will be able to give you REAL advice and some good ideas.



You'll have an individual interview: that's the first important step to the career of your choice.

Those of you who have decided to leave school will get valuable written advice

Continued overleaf...

HOW THE PROSPECTS CARD WORKS - P2



■ South & East Cheshire TEC's new offices in Middlewich.

The 'Prospects' card really is a break-through!

It's the first time that real buying power for training has been put in the hands of young people themselves.

The Prospects card will help raise both the use and standards of training in the UK and help strengthen motivation in the young people themselves

The Prospects card will be available to school and college leavers throughout the TEC area of Macclesfield, Congleton, Nantwich and Crewe.

It will allow young people to buy vocational education and training to suit their own chosen career needs.

The cards will have real purchasing power, with a cash value set at a level to meet the varying needs of the individual.

The card will be issued by Cheshire Careers Service before young people leave school.

Letters will be sent to you as parents, inviting you to special meetings where the details will be explained more fully.

A CAREERSHIP FOR THE FUTURE...

A careership for the future is another in a series of innovations from South & East Cheshire TEC.

Careerships have been specially designed for young people aged from 16-18 who have decided to go from school or college into employment.

They provide an important boost up the career ladder by combining paid employment with real opportunities

for quality training and nationally-recognised vocational qualifications.

There are advantages too for employers: young people learn the business from the 'inside' and forge new skills and expertise in readiness for future development needs.

Careerships have been devised by the TEC Business-Education Partnership.

Companies who join the Partnership agree a structured training programme for the individual young people, leading to a recognised qualification.

A Careership agreement is then drawn up between employer and the employee.

The employee receives a separate Contract of Employment and pay.

What's new in the area...

■ So what's South & East Cheshire TEC...?

South & East Cheshire Training and Enterprise Council - TEC - is responsible for coordinating a number of major training and employment initiatives in the South and East Cheshire area, namely Macclesfield, Crewe, Nantwich and Congleton.



Prospects...

From page one

outlining which career you've decided to follow and detailing the training and qualifications you'll need to aim for to reach your goal - perhaps BTEC or City and Guilds.

The choice is yours: that's what Prospects is all about - giving you the buying power, freedom and choice to get the training that's right for YOU!



■ So what's the Business Education Partnership...?

The Partnership is part of the TEC. It has successfully brought together senior representatives from schools, colleges and employers throughout the TEC area.

Together, they are set to play a vital role in the education and training of young people and adults in the area, helping them to reach their highest possible level of achievement.

The Partnership team is also aiming to create the framework for a smooth and effective transition from school to employment.

Already, many new opportunities have been identified for young people to become part of local businesses and learn new skills through effective education and training which leads to nationally-recognised qualifications.

does Prospects work?

The 'Prospects' card is not a credit card.

Each card will have a monetary value fixed at a level set to meet individual needs.

A maximum and minimum limit will be set, the highest value will be allocated to those young people with special needs.

Spending will be measured through special statements sent directly to each young person.

School leavers who successfully find employment will take their Prospects Card to their employer who will arrange the training appropriate to your job. That's called a 'Careership'.

Young people who don't immediately find work can still use the Prospects card to achieve the qualifications they need for employment. This is known as a 'Traineeship'.

All Prospect Card holders will get their training from local colleges or TEC-approved training centres.

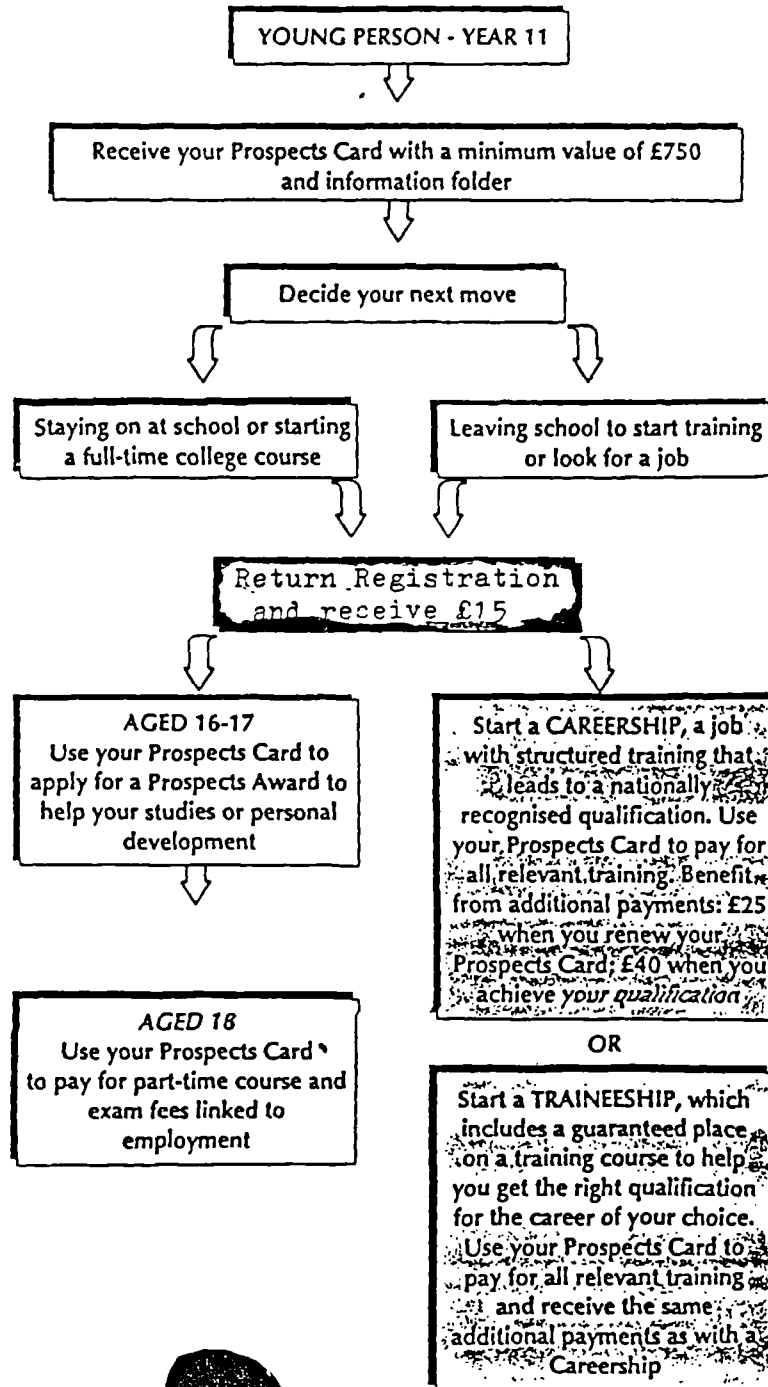
Using the Card, young people will also be able to meet the costs of such items as tools and books.

If you would like further information, please contact South & East Cheshire TEC. Write to PO Box 37, Dalton Way, Middlewich, Cheshire CW10 0HU, or telephone 0606 84-7009.



TEC

BUSINESS-EDUCATION PARTNERSHIP



Appendix fourteen

Employer Questionnaire

Your replies will be treated with the strictest confidence. Please return your questionnaire in the pre-paid envelope by November 10th. Thank you for your help.

1. Please indicate the nature of your business.
2. How many people do you employ? Please circle one of the following:-
0-5, 5-10, 10-25, 25-50, 50-100, 100-250, 250-500, 500 and over
3. How many school leavers do you employ each year? (If you do not employ school leavers or have stopped doing so, please indicate your reasons.)

4. How many school leavers have you employed in 1991?

5. Have you heard about the PROSPECTS initiative? YES . NO

If you have answered YES, please indicate how you heard about PROSPECTS.

6. Have you heard about Training Credits for 16 year old? YES NO

If you have answered YES, please indicate how you heard about Credits.

7. How many of the school leavers you have taken on in 1991 carry a PROSPECTS card?

8. Please state what you understand to be the benefits of the card for:-

a) You as an employer

b) the young person

c) employers in general

9. Are there any features of PROSPECTS about which you are still confused? If yes, please indicate which features and whether there is any aspect of the initiative in general which you do not fully understand.

10. Has the PROSPECTS initiative influenced your decision to recruit school leavers? Please explain your answer.

11. How many of the young people seeking jobs this summer who have approached your company carried a PROSPECTS card? Please give an approximate number.

12. Please comment on whether the young people you have interviewed for jobs who left school this summer understood what the PROSPECTS card was for, and how to use it.

13. Please indicate whether the school leavers you employ are on:

a) Traineeships, b) Careerships, c) employed and following training leading to a qualification, d) employed in jobs without training

14. If you have taken on school leavers in 1991, please state the type of vocational education and training courses they are following. If possible, please indicate the NVQ Level.

15. Have you previously taken on school leavers under the Youth Training Scheme? If yes, please indicate the numbers of YTS trainees you took on each year and whether you acted as or through a Managing Agent and whether the trainees were employed-status.

16. Do you think PROSPECTS is better than previous initiatives for youth training, e.g. YOP, YTS, YT? Please explain your answer.

17. If any of the school leavers you interviewed this summer showed you an Action Plan which they had prepared at school, please indicate your impressions of the plan.

18. Have you heard about school Records of Achievement? YES NO

If you have answered YES, please indicate whether, as an employer, you would find such records useful.

19. How many of the school leavers you have taken on in 1991 have Special Needs?

Please comment on whether they presented a PROSPECTS card at interview and how far they appeared to understand what the card is for.

20. Would you be willing to be contacted by telephone? YES NO
If yes, please state your name, address and telephone number.